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TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1922.

No. 197.

PRESTONETTES, INC., PETITIONER,

vs.

FRANCOIS JOSEPH DE SPOTURNO COTY.

**ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT
OF APPEALS FOR THE SECOND CIRCUIT.**

PETITION FOR CERTIORARI FILED JANUARY 12, 1923.

CERTIORARI AND RETURN FILED FEBRUARY 3, 1923.

(29,343)

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Complaint.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

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The plaintiff herein, Francois Joseph de Spoturno Coty, complaining of the defendant herein, Prestonettes, Inc., respectfully alleges and represents as follows:

1. That he is a citizen of the Republic of France and now and for several years past has been a resident of Paris, France.

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2. That the defendant herein, now is and during the commission of the acts hereinafter complained of, has been a corporation duly organized and existing under the Laws of the State of New York with its office and principal place

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of business at 799 Broadway, Borough of Manhattan, City and State of New York where it has committed the acts of infringement hereinafter complained of.

3. That previous to and in the year 1909, the plaintiff herein was engaged in manufacturing perfumes, toilet waters, face powders, sachet powders, lotions for skin and hair, brilliantine and other toilet preparations in the Republic of France, with his office and principal place of business in Suresnes, which is a suburb of the City of Paris in the Republic of France. That previous to and in the year 1909 the plaintiff was engaged in exporting the before mentioned toilet preparations to the United States of America and selling them there by means of a representative. That in the year 1909 the plaintiff herein adopted the trade mark L'ORIGAN, as a trade mark and trade name to designate the said toilet preparations, and to identify them to the trade and to the public in the United States of America and elsewhere in the world, as being plaintiff's manufacture and the manufacture of no other person or concern. That the said trade mark L'ORIGAN so adopted by the plaintiff for the said preparations was neither identical nor similar to any registered or known trade mark owned and in use by another and appropriated to merchandise of the same descriptive properties, and the said trade mark L'ORIGAN in no way resembled any previously registered or known trade mark owned and in use by another and appropriated to merchandise of the same descriptive properties, so that since

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the year 1909 the said trade mark L'ORIGAN in the United States of America has designated the before mentioned preparations of the plaintiff and of the plaintiff only.

4. That in the said year 1909 and continuously thereafter the plaintiff herein has exported to, and sold in the United States of America, both in intrastate and interstate commerce, the before mentioned preparations, packed in cartons, or bottles or boxes, with labels upon which the said trade mark L'ORIGAN was caused to prominently appear in order to identify the said preparations as being the manufacture of the plaintiff. That since the year 1909 large quantities of the before mentioned preparations have been sold to the public in the United States of America, bearing the trade mark L'ORIGAN in the manner before mentioned, so that a very large and valuable good-will has been built up since the year 1909 in the United States of America in connection with the said trade mark L'ORIGAN as designated to the public the products of the plaintiff.

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5. That the plaintiff has always made the said preparations, designated by the trade mark L'ORIGAN, in the manner before mentioned, with the best of skill and ingredients so that the before mentioned products, sold under the trade mark L'ORIGAN have a very high reputation in the United States of America.

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6. That as far as the plaintiff knows, and as he verily believes, his use of the trade mark

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L'ORGAN for the before mentioned preparations, has been exclusive in the United States of America, save for one or two infringers who stopped their infringement upon being warned, so that at the present time and save for the actions of the defendant hereinafter complained of, the trade and public of the United States of America have acquiesced in the plaintiff's exclusive rights in and to the said trade mark L'ORGAN.

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7. That heretofore, and in or about the year 1919, the plaintiff brought action against one Frederick H. Smith doing business under the trade name of Miro-Dena, in this Court, because the said Frederick H. Smith infringed the plaintiff's trade mark L'ORGAN by selling a perfume under the trade mark L'OREA. That thereupon a motion for a preliminary injunction was brought and in this Court and was argued and contested, and thereupon an order was granted by this Court, a true copy of which is hereunto annexed and marked "Plaintiff's Exhibit Miro-Dena Order," whereby the plaintiff's exclusive rights in and to the said trade mark L'ORGAN were upheld.

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8. That in addition to the great care and skill which plaintiff has exercised in producing the before mentioned products designated by the trade mark L'ORGAN that he always has been and now is very careful in exercising the best of skill in so packing the said products and in particular the face powder before mentioned so that they shall retain their original desirable qualities; that in particular in packing and

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marketing the face powder before mentioned, including compacts thereof, which is and for many years has been a well known toilet article, plaintiff always has been and now is exceedingly careful to pack said compacts tightly sealed in a container free from all metallic ingredients. Such container has always been made of cardboard or metal lined with cardboard and plaintiff annexes hereunto and makes a part of this complaint a container which truly illustrates the method in which plaintiff has packed his before mentioned face powder including the compacts thereof as long as he has been in business, this exhibit being marked "Plaintiff's Exhibit Genuine L'ORIGAN Package."

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9. That on or about October 27th, 1920, the plaintiff herein filed an application in the United States Patent Office to register the said trade mark L'ORIGAN for the preparations before mentioned. The said application was in writing and in the identical form with that shown in the annexed printed copy of registration No. 146,974. With the statement found in the said annexed printed copy, the plaintiff filed a drawing of the said trade mark and such number of specimens thereof as actually used in the United States of America as were required by the Commissioner of Patents. The plaintiff also paid unto the Treasury of the United States of America, the sum of Ten (\$10.00) Dollars and otherwise complied with all the requirements of law. Said statement was accompanied by a written declaration identical with that found in the

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annexed printed copy, and verified by plaintiff before a U. S. Consul.

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10. That said application having been duly filed in the United States Patent Office, due proceedings were thereupon had according to law, and it appearing upon the examination of said application in the said Patent Office that the said applicant, namely, the plaintiff, was entitled to have this trade mark registered under the act of February 20th, 1905, due publication thereof took place in the Official Gazette, and no notice of opposition having been filed, registration of the said trade mark was duly granted according to law, and a certificate of registration on or about September 27th, 1921, was signed, sealed and delivered to the plaintiff herein. The number of said certificate was 146,974 and it still is in force, and the plaintiff always has been and now is, the sole and exclusive owner thereof, and he herewith makes profert unto the Court whenever required of the original or a duly certified copy thereof.

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11. That, notwithstanding the before mentioned facts, and on information and belief, well knowing the same and notwithstanding the fact that plaintiff has never given any permission to any person whatever to repack his products, the defendant herein subsequent to September 27th, 1921 and previous to the filing of this complaint, has offered for sale and has sold in the Southern District of New York and elsewhere in the United States, a metal container containing a compact of face powder, one of said containers

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with a label on the cover thereof being hereunto annexed and made of part of this complaint and designated "Plaintiff's Exhibit, Defendant's Package." That the compacts sold by defendant as before mentioned and in the packages before mentioned were not manufactured by the plaintiff but were manufactured by the defendant or caused to be manufactured thereby. That the manufacture of such compacts involves not only the use of face powder as an ingredient thereof but also of certain ingredients to act as binders and that the manufacture of a proper compact requires skill and attention so as to make the compact of sufficient coherence but not render it too hard. The label upon this container has in large and prominent type the words "Coty's L'ORIGAN Face Powder" and the cover thereof also clearly has the words "Coty's L'ORIGAN" thereon. That in addition the defendant has bottled and offered for sale and has sold in the Southern District of New York and elsewhere in the United States bottles of perfume similar to the exhibit hereunto annexed and made a part of this complaint and designated "Plaintiff's Exhibit, Defendant's Bottle" upon which said bottles appear the words "Coty's L'ORIGAN." That these bottles have not been filled by the plaintiff herein or with his consent and authority and that the defendant herein never has had any right or authority to cause any labels to be made upon which the words "Coty's L'ORIGAN" appear.

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12. That the effect of the sale by defendant of the before mentioned compacts of face powder

Complaint.

contained in the said metal containers has been to deceive the trade and public and will continue to deceive the trade and the public in that the trade and the public have thought and will think that this is a new package put out by the plaintiff and because the prominent and distinguishing feature of the said label is the use of plaintiff's name and his before mentioned trade mark L'ORIGAN; that the trade and public have been deceived and will be deceived into the belief that the compacts sold by defendant as above mentioned were the genuine compacts manufactured by the plaintiff, whereas the contrary is the case. That the effect of the bottling by the said defendant of perfume under the name "Coty's L'ORIGAN" has been to cause the public to think that this perfume has been bottled and offered for sale by the plaintiff or with his authority whereby the plaintiff against his will has been made responsible for any lack of care or cleanliness in handling or bottling the perfume. That to bottle perfume requires care and cleanliness so that the volatile ingredients of the perfume will not evaporate thus injuring its quality and that the perfume shall be maintained in a perfectly clean and sanitary condition as it is often applied to the skin of the person using it.

13. That the result of the before mentioned acts herein complained of has been to cause irreparable injuries to the plaintiff and will continue to cause irreparable injury to him in that the packing of a compact of face powder in a metal container injures the perfume added there-

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to and which is the main cause of the sale thereof in that said perfume contains a number of ingredients which are easily destroyed or altered so that the valuable properties of the perfume are injured. Plaintiff and the trade in general have always refrained from packaging high class toilet powders containing high class perfume in metal containers and the result of the acts complained of has been to injure the plaintiff's reputation connected with the said L'ORIGAN face powder and will continue to injure its reputation in the future.

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14. The defendant herein threatens to continue the acts herein complained of, therefore the plaintiff has no adequate remedy at law. Defendant has made large profits by reason of the acts complained of.

15. That plaintiff has never given his consent to any of the acts complained of herein.

16. That the value of the subject matter herein involved and in controversy exceeds, exclusive of interests and costs, the sum of Five Thousand (\$5,000.00) Dollars and this Court also has jurisdiction herein because this is an action brought by a citizen of France for tort only and violation of the Treaty between the United States of America and the Republic of France and because the defendant has violated the Statutes of the State of New York.

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Complaint.

As a second and additional cause of action the plaintiff repeats the allegations of paragraphs 1 and 2 of the complaint herein and additionally alleges and represents as follows:

- 29 17. That in 1905 and in the said suburb of Paris, France, plaintiff engaged in the business of producing and selling perfume, toilet waters and powders and toilet preparations in general, such as, lotions, soap and dentifrices and since the year 1905 he has been continuously engaged in producing the before mentioned articles in the said suburb of Paris, France and that since 1905 he has continuously sold the said products both in France and throughout the principal countries of the world and that in particular since the year 1905, he has continuously exported the before mentioned perfumes and toilet preparations to the United States of America and sold them there both in intrastate and interstate commerce. That due to the fact that plaintiff's products were made with great skill, both during the manufacturing process and in the proper blending of the
- 30 various ingredients and due to the fact that only the best and purest ingredients were used, and that plaintiff's product were sold in bottles and containers and with labels of great and distinctive artistic merit, plaintiff's business rapidly grew until for several years past he has been recognized as one of the leading perfumers of the world. His business in the United

Complaint.

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States steadily increased, so that in the year 1920, sales of his products in the United States amounted to more than One Million (\$1,000,000.00) Dollars and in the year 1921, they amounted to more than Three Million (\$3,000,000.00) Dollars and that up to date he has sold far more than Seven Million (\$7,000,000.00) Dollars of the said products in the United States.

18. At the time when plaintiff engaged in this business in 1905 there was no perfumer in any part of the world as far as he knows and he verily believes, of the name of Coty or who used the name "Coty" in any manner, form or shape whatever in connection with the perfumery business, either as a trade name or trade mark or in any other manner, so that plaintiff was the first person of this surname who made the said surname have any meaning whatever in the business of making and selling perfumes and toilet preparations.

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19. From the commencement of the plaintiff's business in 1905 and up to the present time he has never used any part of his name other than his surname, Coty, upon the bottles or packages containing his goods or in connection with the advertising therefor, so that the trade and public have at all times remained ignorant of any part of plaintiff's name other than his surname "Coty". From the commencement of plaintiff's business in 1905 and continuously thereafter, plaintiff always caused his surname, Coty, to be prominently affixed to each and every container of his product that was sold by him,

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Complaint.

so that since 1905, plaintiff's trade mark has been "Coty" and as far as he knows and as he verily believes, he has been the only person to use the iasd name "Coty" throughout the world as a trade mark for perfumes and toilet preparations, and that up to the present time, as far as plaintiff knows, and as he verily believes, save for the acts of the defendant herein complained of and perhaps of some others against whom action has been brought or is being contemplated, no other person or corporation has attempted to use the name Coty to designate perfumes or toilet preparations in the United States of America or elsewhere in the world. Such attempt on the part of the defendant and the persons connected therewith only commenced recently and plaintiff also states that any use of the name Coty to designate perfumes or toilet preparations by any person other than himself, in the United States, if any, has been so insignificant as to leave no impression whatever upon the trade or upon the public.

20. That by reason of the before mentioned facts, and due particularly to the fact that plaintiff was the first person to use "Coty" as a trade mark for perfumes and toilet preparations and exclusively enjoy the use of the said trade mark in the United States of America and elsewhere in the world for many years, that the trade mark Coty for many years has indicated to the trade and to the public whenever it was applied to or used in connection with perfumes and toilet preparations, the products of the plaintiff and of the plaintiff only.

Complaint.

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21. Since plaintiff has engaged in the said business in the year 1905, he has sold his products in a great variety of bottles and containers with the use of a great many different additional trade marks. Plaintiff annexes unto this complaint and makes a part thereof, a case containing samples of the various bottles, cases and containers which he has continuously used since 1905 in selling his products in the United States of America and he states that by reason of the fact that he has utilized such a large variety of bottles, cartons and containers, as well as additional trade marks, that his products have been chiefly identified by and known to the trade and public by his trade mark Coty, and that the exclusive use of this trade mark is of the greatest value to him as indicating to good will of the business which has been built up by him in the United States since the year 1905. Plaintiff also annexes unto this complaint and makes a part thereof, samples showing the manner in which he has advertised his products in the United States of America always with the use of his surname Coty alone. Plaintiff also alleges that Coty is an uncommon surname in the United States of America and that there is no other person by this name, for example in the telephone directory of the city of New York. That the trade and public for this reason have not generally recognized that Coty is a surname, but on the contrary have believed this to be a fanciful name, such as is adopted by many producers of perfumes and toilet preparations to designate their products.

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Complaint.

22. That this Honorable Court has jurisdiction because this is a controversy between a citizen of France and a citizen of the United States and because the matter in controversy herein and the value thereof exceeds, exclusive of interest and costs, the sum of Three Thousand (\$3,000.00) Dollars and also because this is an action brought by a citizen of France for tort only, in violation of a treaty between the United States of America and the Republic of France. That this Court has additional jurisdiction because the defendant herein has violated the Statutes of the State of New York.

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23. That on October 7th, 1920, and according to the provisions of the Act of March 19th, 1920, and plaintiff being then exclusively entitled to use Coty as a trade mark for perfumes and toilet preparations in the United States of America, he duly applied for the registration of the said trade mark Coty for perfumes, toilet waters and brilliantine including perfumes for face-powders, sachet-powders, lotions, soap and dentifrices in the United States Patent Office. Plaintiff filed in the United States Patent Office a petition and a declaration as shown in the annexed printed copy of the certificate of trade mark registration, No. 147,206 executed as shown therein. Plaintiff paid the fees required by law and supplied the drawings and specifications of his trade mark Coty as required by law and duly complied with all provisions of the Statutes of the United States. Thereafter, upon due examination having been had, certificate No. 147,206 was registered on October 4th, 1921.

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Complaint.

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and issued to the plaintiff and he now has and at all times since, has been the sole owner thereof and all the business and good will connected therewith. Plaintiff also states that each and every statement contained in the said printed certificate No. 147,206 is true. Plaintiff proffers unto this Court a duly certified copy of this certificate No. 147,206 whenever required by the Court.

24. That notwithstanding the before mentioned facts, the defendant herein without any right or license from the plaintiff herein has manufactured or caused to be manufactured within the State of New York in the Southern District of New York and has sold in the said State of New York and in the said Southern District of New York as well as elsewhere in the United States, the articles heretofore identified as "Plaintiff's Exhibit, Defendant's Package", "Plaintiff's Exhibit, Defendant's Bottle".

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25. That the effect of the above mentioned acts of the defendant which have been committed subsequent to the registration of plaintiff's trade mark "Coty" as before mentioned and previous to the filing of this complaint has been to cause the trade and public to believe that the above articles complained of have been put out and packed by the plaintiff herein and that this will be the belief of the trade and the public in the future, whereby irreparable injury will be caused to the plaintiff.

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Answer under oath is waived, in both actions.

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Complaint.

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WHEREFORE, the plaintiff prays that injunctions be issued against the defendant herein enjoining it from making or causing to be made or selling or causing to be sold or offering for sale or causing to be offered for sale any perfumes, toilet preparations or powders with the use of the trade mark or the trade mark L'ORIGAN save original packages purchased from plaintiff and designated by him with the said trade marks, and also enjoining it from infringing upon the said trade marks, in any manner whatsoever and that the defendant be decreed to pay unto the plaintiff the profits and damages caused by the acts complained of and that such other and further relief may be granted as may be deemed proper.

FRANCOIS JOSEPH DE SPOTURNO COTY,
By BENJAMIN E. LEVY,
United States Representative.

MOCK & BLUM,
Solicitors for Plaintiff.

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Complaint.

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State of New York, }
 County of New York, } ss.:
 City of New York, }

BENJAMIN E. LEVY, being duly sworn, deposes and says that he has read the foregoing bill of complaint and knows the contents thereof, and that he has been thoroughly acquainted with this field for more than ten years and he has been the exclusive representative of the plaintiff in the United States for more than ten years.

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That he has read the foregoing bill of complaint and knows the contents thereof, and that the same is true to the best of his knowledge, information and belief.

BENJAMIN E. LEVY.

Sworn to before me this,
 31st day of March, 1922.

RENEE C. HUMPHREY,
 Notary Public.

N. Y. Co. Clerk's No. 284.

N. Y. Co. Register's No. 4149.

Commission Expires March 30, 1924.

(Seal)

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(Filed April 3, 1922.)

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Plaintiff's Exhibit
Mitro-Dena Order annexed.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

At a Stated Term of the United States
 District Court held in and for the
 Southern District of New York,
 at the Post Office Building, Bor-
 ough of Manhattan, City and
 State of New York, on the 18th
 day of March, 1920.

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FRANCOIS JOSEPH DE SPOTURNO
 COTY,

Plaintiff,

against

FREDERICK H. SMITH, doing busi-
 ness as MIRO-DENA,

Defendant.

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This cause having come on at the March Term of this Court, and having been argued by counsel, upon due deliberation thereof it was

ORDERED, ADJUDGED AND DECREED that an injunction be issued under the seal of this Court restraining Frederick H. Smith, his demonstrators, agents, salesmen, servants and employees and all persons acting through and under him or in privity with him:

Plaintiff's Exhibit—Mire-Dena Order annexed. 55

1. From selling any scent under the name, "L'Orea" or any scent in bottles and cases similar in appearance to those of the plaintiff's "L'Origan"; from selling any scent in bottles and cases similar in appearance to those of the plaintiff's "La Rose Jacqueminot"; from selling any scent in bottles and cases similar in appearance to those of the plaintiff's "Lilas Pourpre"; from using the word, "Paris" upon his scents except with the words "made in New York" in immediate juxtaposition with the word "Paris" and of equal size. The defendant may sell scent other than of rose odor in bottles similar to those in which he sells "La Rose d'Amour", provided it be sold in a case of different appearance from that of the plaintiff's "La Rose Jacqueminot". 56

March 18th, 1920.

LEARNED HAND, D. J.

UNITED STATES PATENT OFFICE.

FRANÇOIS JOSEPH DE SPOTURNO COTY, OF SURESNES, FRANCE

TRADE-MARK FOR PERFUMES, TOILET WATERS, FACE-POWDERS, SACHET-POWDERS,
LOTION FOR SKIN AND HAIR, AND BRILLIANTINE

ACT OF FEBRUARY 20, 1905.

146,974.

Registered Sept. 27, 1921.

Application filed October 27, 1920. Serial No. 138,837.

STATEMENT.

To all whom it may concern:

Be it known that I, FRANÇOIS JOSEPH DE SPOTURNO COTY, a citizen of France, residing at Paris, France, and doing business at 13 Boulevard de Versailles, Suresnes, (Seine,) France, have adopted for my use the trade-mark shown in the accompanying drawing.

The trade mark has been continuously used in my business since the year 1909.

The particular description of goods to

which the trade mark is appropriated is perfumes, toilet waters, face powders, sachet powders, lotion for the skin and hair, and brilliantine, comprised in Class 6, Chemicals, medicines, and pharmaceutical preparations.

The trade mark is usually displayed by printing same on labels which are attached to packages containing the goods.

FRANÇOIS JOSEPH DE SPOTURNO COTY.



DECLARATION.

United States consulate general, city of Paris, Republic of France, ss.

FRANÇOIS JOSEPH DE SPOTURNO COTY, being duly sworn, deposes and says that he is the applicant named in the foregoing statement; that he believes that the foregoing statement is true; that he believes himself to be the owner of the trade mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has the right to use said trade mark in the United States, either in the identical form, or in any such near

resemblance thereto as might be calculated to deceive; that said trade mark has been registered in France on July 28, 1917 No. 170,735; that the description and drawing presented truly represent the trade mark as actually used upon the goods.

FRANÇOIS JOSEPH DE SPOTURNO COTY.

Subscribed and sworn to before me, this 22d day of Sept., 1920.

[L. S.] CLEMENT S. EDWARDS,
Consul of the United States of America at
Paris, France.

UNITED STATES PATENT OFFICE.

FRANÇOIS JOSEPH DE SPOTURNO COTY, OF SURESNES, SEINE, FRANCE

TRADE-MARK FOR CERTAIN NAMED TOILET PREPARATIONS.

ACT OF MARCH 19, 1900.

147,206.

Registered Oct. 4, 1921.

Application filed October 27, 1920. Serial No. 138,844.

STATEMENT.

To all whom it may concern:

Be it known that I, FRANÇOIS JOSEPH DE SPOTURNO COTY, a citizen of France, residing at Paris, France, and doing business at 13 Boulevard de Versailles, Suresnes, Seine, France, have adopted for my use the trade-mark shown in the accompanying drawing.

The trade mark has been continuously used in my business since the year 1905.

The particular description of goods to

which the trade mark is appropriated is perfumes, toilet waters, and brilliantine, including perfumes for face-powders, sachet-powders, lotions, soap, and dentifrices, comprised in Class 6, Chemicals, medicines, and pharmaceutical preparations.

The trade mark is usually displayed by printing same on labels which are attached to packages containing the goods.

FRANÇOIS JOSEPH DE SPOTURNO COTY.

COTY

DECLARATION.

United States consulate, city of Paris, Republic of France, ss:

FRANÇOIS JOSEPH DE SPOTURNO COTY, being duly sworn, deposes and says that he is the applicant named in the statement filed in application Serial No. 138,844, on October 27th, 1920; that he believes that said statement is true; that he believes himself to be the owner of the trade mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief has the right to use said trade mark in the United States of America, on merchandise of the same descriptive properties as those recited in the foregoing statement; that said mark is used by him in commerce among the several States of the United States and between the

United States and foreign nations and particularly with France; that said trade mark has been registered in France on September 30th, 1910, No. 123,351; that the description and drawing present truly represent the trade mark sought to be registered; that the specimens show the trade mark as actually used upon the goods; and that the mark has been in *bona fide* use for not less than one year in interstate and foreign commerce by the applicant or his predecessors in business.

FRANÇOIS JOSEPH DE SPOTURNO COTY.

Sworn to before me this 22 day of July, 1921.

[L. s.] J. LEE MURPHY,
Vice Consul of the United States of America
at Paris, France.

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Affidavit of Ley Benedict.

UNITED STATES DISTRICT COURT,
SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,

Defendant.

E. 23-261.

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State of New York, }
County of New York, } ss.:
City of New York, }

MISS LEY BENEDICT, being duly sworn, deposes and says:

That I am of legal age and reside in the Borough of Manhattan, City and State of New York.

66 Until recently I have been a student at Columbia University in the City of New York.

On April 13th, 1922, I was shown the "Plaintiff's Exhibit, Defendant's Package" and the "Plaintiff's Exhibit, Defendant's Bottle". The impression these gave me was that they were genuine Coty products containing his L'ORIGAN perfume and put out by him, and bottled and packed by him.

Affidavit of Ley Benedict.

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Coty to me means nothing except the name of a well known manufacturer of perfumes and toilet preparations and L'ORIGAN has absolutely no meaning to me except as indicating one of Coty's trade marks.

I have heretofore purchased Coty's products and in particular those products designated by L'ORIGAN.

I have absolutely no interest in this litigation and I do not have and never have had any connection with either of the parties or any other concern in this field.

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LEY BENEDICT.

Sworn to before me, this
13th day of April, 1922.

JULIA LEVY,

Notary Public.

Kings Co. No. 210.

Certificate filed in N. Y. Co. No. 45.

(Filed June 23, 1922.)

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Affidavit of Edna E. Wilson.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

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State of New York, }
County of New York, } ss.:
City of New York, }

MISS EDNA E. WILSON, being duly sworn, deposes and says:

That I am of legal age and reside in the Borough of Manhattan, City and State of New York.

72 That I am a writer for magazines and have pursued this occupation for several years. I have on several occasions purchased some French perfumes and toilet preparations put out by a concern named Coty and until I was made more fully acquainted with the circumstances. I did not know whether Coty was the name of a man or the business name of some French concern.

Coty in connection with perfume and toilet preparations has no meaning to me except as designating the goods of a particular high class

Affidavit of Edna E. Wilson.

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French house selling perfumes and toilet preparations.

I have known, purchased and used L'ORIGAN and this word has absolutely no meaning to me except as a trade mark or brand to designate one of Coty's perfumes.

I have never heard of L'ORIGAN being used in any connection whatever with perfumes, toilet preparations or powders except to designate a well known perfume or toilet preparation of Coty.

I have examined "Plaintiff's Exhibit. Defendant's Package" and upon seeing this my impression was that this could only designate a product made, packed and put out by Coty. I have also examined "Plaintiff's Exhibit, Defendant's Bottle" and this impressed me as being a bottle containing the genuine Coty's L'ORIGAN perfume, bottled and put out by the said Coty and that Preston, Inc., whose name appears upon the label thereof was the importer of the perfume contained in the said bottle.

74

I have never had any connection whatever with either the plaintiff or the defendant or with any concern in this field and I have absolutely no interest in the outcome of this litigation.

75

EDNA E. WILSON.

Sworn to before me, this
13th day of April, 1922.

JULIA LEVY,

Notary Public, Kings County.

Kings Co. Clerk's No. 210.

Certificate filed in N. Y. Co. No. 45.

(Filed June 23, 1922.)

76

Affidavit of Louis Spencer Levy.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

77

State of New York, }
County of New York, } ss.:
City of New York, }

LOUIS SPENCER LEVY, being duly sworn, deposes as follows:

78

I am 44 years of age, a resident of New York City, and am the editor and publisher of the publication known as The American Perfumer and Essential Oil Review, which circulates extensively among perfumers and allied trades in the United States and other parts of the world. I have been connected with that publication for 15 years. I am well acquainted with the names and brands of all well-known American and French perfumes. The perfumer known as Coty who has his place of manufacturing at Suresnes, France, is one of those whose reputation is of

Affidavit of Louis Spencer Levy.

79

the highest both in France and in the United States. One of his best known brands or trademarks is the perfume known as L'Origan, and L'Origan in the United States means Coty's product among the purchasing public.

I am well acquainted with the manufacture of compacts and know that a certain degree of skill is necessary in the making of a compact from a face powder, and that compacts differ variously from each other in their quality owing to differences in the binders employed, the degree of skill used and various other elements that enter into the manufacture of a compact.

80

The work *Nouveau Formulaire des Parfums et des Cosmetiques* by J. P. Durvelle, which has been shown me is a book of high standing on the subject of perfumes and cosmetics.

LOUIS SPENCER LEVY.

Sworn to before me, this
13th day of April, 1922.

JULIA LEVY,

Notary Public.

Kings Co. No. 210.

Certificate filed in N. Y. Co. No. 45.

(Filed June 23, 1922.)

81

82

Affidavit of Elmer M. Laning.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

83

State of New York, }
County of New York, } ss.:
City of New York, }ELMER M. LANING, being duly sworn, deposes
and says:I am a citizen of the United States and I
reside in Irvington, New Jersey and I am 34
years of age.

84

I have been connected with the perfumery
business for the last fifteen years in the United
States of America. I am a graduate of Cooper
Union Institute of the City of New York and
hold a degree of Bachelor of Science from this
institution. I was graduated from the Chemical
Division of that institution in the year 1915.

Affidavit of Elmer M. Laning.

85

I have been connected with the following concerns either in the manufacturing or consulting capacity in the production of perfumes:—

McKesson & Robbins,
91 Fulton Street,
New York City.

Tokalon, Inc., of
New York, N. Y. and
Paris, France.

Sanatol Chemical Laboratories, Inc.,
St. Louis, Mo.

86

Woodworth, Inc.,
Rochester, N. Y.

I may add that in a competition for the best odor for a line of perfumes and toilet preparations which was conducted by the publication known as the American Perfumers, two years ago, I received the first prize of Two Thousand Dollars for the best perfume submitted in a competition in which some hundreds of perfumers competed.

87

For many years I have been engaged in the preparation of perfumes to imitate samples which are brought to me to duplicate and I have had a great deal of experience in detecting the essential ingredients of perfumes by means of the sense of smell and in reproducing them by blending the various ingredients of which said perfumes are composed.

Perfumes can be divided into two classes: those which duplicate or attempt to duplicate the odor of some flower like rose, jasmine, lily of the valley, lilac, etc., and those composed of blends in which there is no attempt to duplicate the odor of any flower or natural object.

I have been acquainted with the business of Coty, the plaintiff herein in the United States for more than ten years and during this entire period I have never heard of any Coty in the perfumery business in the United States except this plaintiff and do not think of any other business except that of the plaintiff in connection with the name Coty.

If I were to see any perfume or toilet preparation having the name Coty thereon in the United States, I would immediately think that it was the product of the plaintiff herein and no other person. Likewise, for more than ten years, I have known of the plaintiff's perfume sold under the trade mark L'ORIGAN. As far as I know from my very extensive experience in this field, the plaintiff is the only person in the United States who has ever used the name L'ORIGAN as a trade mark for perfume or any toilet preparation whatever and the trade and public recognize any perfume or toilet preparation sold under the trade mark L'ORIGAN as the product of the plaintiff and of the plaintiff only. The plaintiff for many years has had a fine reputation in the United States and is considered as being one of the leading French perfumers and his perfumes, face powders and compacts and other similar toilet preparations sold with the trade mark L'ORIGAN have for many years been

Affidavit of Elmer M. Laning.

91

recognized as being high class articles and very large sellers.

I have been consulted on numerous occasions by perfumers competing with Coty to make up a blend similar to his L'ORIGAN and which would be a duplicate thereof because the said L'ORIGAN perfume of Coty is not based upon the odor of any particular flower. I have therefore become familiar with this perfume and have on a number of occasions attempted to duplicate it and I can state that this L'ORIGAN perfume of Coty is a blend and could not be duplicated by using the original oil of any particular flower. To reinforce my recollection I have smelled some of Coty's L'ORIGAN perfume on Wednesday, April 12th, 1922, and this test confirmed my past experience in this matter.

92

The oil of origanum or the oil of sweet majoram is a natural product derived from certain plants and as far as I know it has not been on the market in the United States during the fifteen years that I have been connected with this business. There have been commercial products put upon the market under these names, but as far as I know from my experience with these commercial products they did not consist essentially of the oil of the plant itself.

93

The oil of origanum or the oil of sweet majoram or the like, as far as I know, has never been used as the distinctive ingredient of a perfume and it certainly has never been used in the pure state or anything like the pure state for a perfume or anything connected with a perfume. I would consider that either the real natural oil of origanum or the oil of sweet

majoram or the commercial products sold under that name would be entirely unsuitable and unfitted to make a perfume or to form the essential ingredient of a perfume. These before mentioned oils have been occasionally used to a very limited extent in connection with perfumes, but not as the characteristic or identifying ingredient of a perfume.

I may explain at this point that very often ingredients are added to perfumes which in themselves either have no odor at all or intensely disagreeable odors. These ingredients are not for the purpose of creating or contributing to the odor of a perfume but for subsidiary purposes, such as restraining the volatility of the perfume in which case they are known as fixatives or for increasing the volatility of the ingredients which give the distinctive odor of the perfume, in which case they are known as risers. For example, civet has an intensely disagreeable odor but if used in small quantities so that the said odor is masked by the odors of the other perfumes, it acts as a fixative and prevents the perfume from evaporating too rapidly. I

would characterize oil of organum or oil of sweet majoram as risers to be used to a very limited extent, merely for the purpose of causing the odorous ingredients to evaporate or causing the odorous ingredients to evaporate more rapidly so as to excite the sense of smell. For example, I do not know of any perfume in which the oil of organum or the oil of sweet majoram has ever been present in a preparation even as high as one percent. I therefore would not classify oil of organum or oil of sweet majoram or the like as a true perfume oil although it may

be used occasionally and to a very limited extent by perfumers for the purposes mentioned.

To sum up, the only connection of L'ORIGAN that I know of in connection with perfumes, is one of the trade marks of the perfumer Coty, and as far as the general trade and the public knows, this is the only meaning possessed by this word and the use of this word upon perfumes, toilet powders and compacts by any other person or concern would inevitably lead to confusion and deception both among the trade and the public.

I have no connection with the plaintiff and I have never been employed by him or for him in any manner whatever and I have absolutely no interest in this litigation but I am giving this affidavit to give the Court the benefit of my long and varied experience in this field.

As far as I know practically the only commercial use of the oil of origanum or the commercial use of the oil of sweet majoram is as a spicy flavoring ingredient in food, such as sausages, and the like.

I consider it a sensible precaution and one which any perfumer is well justified in taking, to pack an article like a perfumed compact of face powder in such a manner that it will not come directly in contact with the walls of a metal container. This is because such metal containers are usually finished off with a lacquer of some kind. This had an odor of its own.

I have had considerable experience in manufacturing compacts or face powder like that of Coty's L'ORIGAN, for example, and I wish to state that it requires considerable care and skill

100

Affidavit of Elmer M. Laning.

to make up a good compact. The binding material must be well chosen and of first class quality and the manufacture must be carried out with great care and supervision so that the compact shall not be too crumbly and not be too hard. In other words, even if a good face powder is chosen as the original ingredient of a compact, it is quite possible to make a very bad compact if the binding material chosen is of poor quality or if the manufacturing process is not carried out under skilled and careful supervision.

101

I herewith annex to this affidavit a compilation brought out on April 1st, 1908 by the Manufacturing Perfumers' Association of the United States as well as the supplements thereto. This book is marked "Trade Names of Perfumes and Toilet Articles." I consider that this book is an authoritative one which I have constantly used in my practice and I believe that it includes every name used by manufacturing perfumers of the United States at the time it was issued and for the period covered by the supplements, that is up to 1915. I do not find L'ORIGAN or ORIGAN listed there in any manner whatever and I have never found either of these names listed as the name of any perfume or toilet article in any similar compilation of names.

102

I also annex hereunto and make a part of this affidavit, a book marked "T. R. Register" issued in 1920, and which I consider quite complete and authoritative and which is a standard work of reference, among the trade for the names of perfumes and toilet preparations produced both by French and American houses and in fact this book contains practically every per-

Affidavit of Frank J. M. Miles.

109

tories of Marshall Field & Company of Chicago for three years. I have also had extensive experience with raw materials used in perfumery as I was for two years employed by Dodge & Olcott and for three years with W. J. Bush & Company, both well known dealers in perfumers' raw materials, located in New York City.

I do not know what the legal status of the name Coty may be as a trade mark, but I know that there is only one manufacturer of Coty perfumes in the world and that is the plaintiff, who has his plant at Suresnes, France. I mean by this statement that Coty's perfumes are recognized in the United States, in France and throughout the world as distinctive and meritorious perfumes and there is only one manufacturer of whom I have heard of the name of Coty. This manufacturer, being the plaintiff, has only used his surname upon all his products and advertising, as far as I know, so that there are very few people who know his first name and Coty designates to the trade and to the public, the toilet preparations and perfumes of this plaintiff and no other person in the world.

110

One of Coty's popular and distinctive creations is known as L'ORIGAN and this has become one of the leading brands of perfume in the United States. It is what I would characterize as a distinctive creation, having no resemblance to the perfume or odor of any particular flower or floral product, but being a blend or medley of perfumes of a distinct and unique individuality, a result which I know can only be achieved

111

112

Affidavit of Frank J. M. Miles.

after the most lengthy and careful experimentation.

113

I have heard of the oil known as origanum and while this is sometimes listed in the catalogs of raw material houses, it is used mostly in liniments and pharmaceutical products. To say that the name L'ORIGAN is derived from origanum is ridiculous as it would be impossible to put but a very small percentage of origanum in any perfume and in nearly all perfumes its effect would be deleterious rather than otherwise. I have never used origanum or majoram in any perfume which I have ever compounded for any of the houses mentioned. I have not made an analysis of Coty's L'ORIGAN but I have made many attempts to create a similar odor and I am sure that there is no origanum in Coty's L'ORIGAN. The idea that Coty's L'ORIGAN has the odor of origanum or majoram appears ridiculous to me as neither of these products is considered by perfumers as a perfume ingredient.

114

The word Origan to the perfumery trade has absolutely no meaning whatever except a trade mark for one of Coty's well known creations and has no other meaning in the trade.

I can also state that majoram or sweet majoram has no meaning among the perfumery trade of the United States as an ingredient for perfumes.

I have made several trips to France and it is also recognized in France that Coty was the creator of the distinctive perfume known as L'ORIGAN and he was the first to use this name or trade mark for a perfume.

Affidavit of Elmer M. Laning.

103

fume brand on sale in the United States. The only L'ORIGAN as a name for a perfume extract in this book is "L'ORIGAN COTY" mentioned on page 134 of this volume.

ELMER M. LANING.

Sworn to before me, this
12th day of April, 1922.

ARCHIBALD L. VAN NESS,

Notary Public, New York County.

Clerk's No. 16, Register's No. 4004.

Commission Expires March 30, 1924.

(Seal)

104

(Filed June 23, 1922.)

105

106

Affidavit of Frank J. M. Miles.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.Equity
23-261.

107

State of New York, }
County of New York, } ss.:
City of New York, }FRANK J. M. MILES, being duly sworn, deposes
as follows:

108

I am 40 years of age, a citizen of the United States, a resident of New York and am now Vice-President of Cheramy, Inc., manufacturing perfumers located at Columbus Avenue and 72nd Street, New York City. I have a total experience of twenty-two years in the perfumery line, most of which has been spent in actively supervising the manufacture and compounding of perfumes. I was for seven years connected with the Melba Manufacturing Company of Chicago, five years with Willis H. Low, perfumer of Boston and was in charge of the perfume labora-

Affidavit of Frank J. M. Miles.

115

I have seen the exhibits of defendant's goods complained of herein and believe that the manner in which they are labeled is misleading as it would lead the purchaser to believe that they were Coty's products packed and bottled by him. I have never had any connection with the plaintiff or defendant and I have no interest in this litigation.

FRANK J. M. MILES.

Sworn to before me this
13th day of April, 1922.

116

JOSEPH DAWSON,
Notary Public, New York County.
(Seal)

(Filed June 23, 1922.)

117

118

Affidavit of Hugo Mock.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

119

State of New York, }
County of New York, } ss.:
City of New York, }

HUGO MOCK, being duly sworn, deposes and says:

That he is one of the firm of Mock & Blum solicitors for the plaintiff herein.

120 He has had personal relations with the plaintiff's establishment in Paris, France, and the said solicitors for the plaintiff have represented him in his trade mark matters in the United States for the last three years.

Deponent is well acquainted with the plaintiff's line of goods and with his relations with the American distributor thereof, namely, Mr. B. E. Levy whose offices are at 714 Fifth Avenue, New York, N. Y.

Affidavit of Hugo Mock.

121

To the best of deponent's knowledge and information, the plaintiff produces, bottles and labels all his goods in his establishment in France so that Mr. Levy only receives from France bottles or packages of perfume and other toilet preparations in the same condition in which they are sold to the trade.

Mr. Levy is not authorized to print in the United States, any labels having thereon the plaintiff's name or any of his trade marks and he is not authorized to do any rebottling or repackaging in the United States.

122

Within the period of about the last year, certain persons have purchased the goods of plaintiff and of other prominent perfumers and they have caused the said perfumes and other toilet preparations to be repackaged and rebottled by them and they have caused to be printed up in the United States and to be used, labels having thereon the names and trade marks of such perfumers. Up to about the last year this practice was practically unknown in this trade and it certainly was unknown as far as the plaintiff's products here in issue are concerned.

123

Due to the fact that no action can be had in any of these matters without the personal approval of Mr. Coty, the plaintiff herein who has been in France during the last year, prompt action was not had to check this practice, but in November of 1921, the said solicitors caused an action to be instituted in the Magistrate's Court of New York against the New York French Exports, Inc. to have such rebottling declared a misdemeanor. This proceeding has not yet

124

Affidavit of Hugo Mock.

been determined and in view of the fact that it was so protracted it was determined to bring a test case in the Federal Courts.

125

As far as deponent knows, the plaintiff has never personally given his consent to any rebottling or repacking of his goods, but Mr. Levy has allowed one concern, namely, Flaconettes, to do this. This was because the said Flaconettes concern gave Mr. Levy sufficient assurance that they would be absolutely honest in rebottling the Coty perfumes without any adulteration and with the use of methods entirely approved by him together with permission to inspect at all times the premises at which the Flaconettes were bottled, the method of bottling and all incidents connected therewith as well as agreeing to the form of labels used on said Flaconettes.

126

Both the plaintiff and Mr. Levy object to any unauthorized concern committing the acts complained of herein and before this action was brought, deponent caused a notice to be sent to the defendant on or about March 16th, 1922. Neither the plaintiff nor Mr. Levy nor anybody connected with him have ever consented to the manufacture of compacts from Coty's face powder and the label thereof with Coty's name or trade marks and they have never given any consent to repack or rebottle any of Coty's products, except his perfumes. They have at all times objected to any repacking of the face powder either in the loose form or as manufactured into a compact. This is because they do not wish either the loose powder or the compact to be made or repacked, save under

Affidavit of Hugo Mock.

127

the personal supervision of the plaintiff in his French establishment.

Deponent states from his knowledge in this business and from his experience and training as a chemist that it is practically impossible to tell whether a perfume has been adulterated up to about ten or fifteen per cent by the addition of alcohol, for example. This is because the ingredients which produce the characteristic odor are of such complicated composition and the perfume itself has ingredients which are so volatile and unstable that a real analysis is practically impossible. If a manufacturing perfumer is asked to duplicate any known plant, he does this mostly by sense of smell and it is very difficult, if not impossible, to secure an exact duplicate for this reason. It is particularly impossible in looking at a compact of face powder to tell whether it has been made entirely from loose face powder of a specific kind or brand. It is very deleterious to repack a face powder perfume with a delicate odor into a compact as in every such operation a part of the original perfume is lost.

128

The plaintiff therefore, has always objected to any repacking or rebottling of his perfumes, save in the above mentioned case of Flaconettes and this permission to Flaconettes can be withdrawn at any time and was only given because of the ample assurance which was given by Flaconettes as to their honesty, care and skill as well as financial responsibility. Deponent is making this affidavit because he is well acquainted with the business affairs of the plaintiff in this country and because Mr. B. E. Levy, sole distributor

129

130

Affidavit of Hugo Mock.

for his products in the United States is in France
at present.

HUGO MOCK.

Sworn to before me, this
13th day of April, 1922.

JULIA LEVY,
Notary Public, Kings County.
Certificate filed in N. Y. Co.

131

(Filed June 23, 1922.)

132

Affidavit of Benjamin E. Levy.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

134

State of New York, }
County of New York, } ss.:
City of New York, }

BENJAMIN E. LEVY, being duly sworn, deposes and says:

That he has been connected with the perfume and toilet preparation field for more than ten years and that he has handled the plaintiff's perfumes and toilet preparations in the United States for more than ten years.

135

That deponent has made frequent trips to France during the above mentioned period and that he has personally known the plaintiff for more than five years and has frequently visited his business in Paris, France, at least once a year during the last five years and he is thor-

136

Affidavit of Benjamin E. Levy.

oughly familiar with the plaintiff's line and his packages, bottles, etc.

To produce a good perfume or toilet preparation requires not only artistic ability in blending the perfumes or other ingredients and in making up and producing the bottles, labels and cases therefor, but it also requires skill, care and cleanliness in bottling or packaging the product.

137

Perfumes are very often applied to the skin by the users thereof and so both the perfumes and their ingredients must be perfectly clean and free from any objectionable ingredients. This is also true in the case of toilet preparations in general.

Similarly in bottling or packing perfumes care must be taken that the volatile ingredients are not allowed to evaporate and that the perfume shall not be allowed to come in contact with substances which will exercise an injurious effect upon them, such as celluloid for example.

138

Hence, the plaintiff has always caused each and every of his perfumes and toilet preparations to be bottled and packed in his establishment in France in the final condition in which they are sold to the trade and to the ultimate consumer so that the entire stock in the United States consists only of bottles, packages and containers which are imported into the United States in their final condition.

In particular, in making compacts, such as found in the "Plaintiff's Exhibit, Defendant's Package" great care and skill must be exercised to choose a binder for the powder which shall render the cake or compact sufficiently friable

to enable the powder to be easily removed therefrom without rendering it so hard that it will be useless.

Deponent states positively that the articles of the defendant herein complained of are no part of plaintiff's line. He also positively states that in particular the compact shown in "Plaintiff's Exhibit, Defendant's Package" was not produced by the plaintiff and not packed by him.

The plaintiff would never think of packing a face powder or compact in a metal box where the delicate perfume which the powder or compact contains can come in contact with metal walls and this is not considered to be good practice by producers of perfumes and toilet preparations.

140

Deponent also states that "Plaintiff's Exhibit Defendant's Bottle" although it may contain the genuine L'ORIGAN perfume of the plaintiff is not bottled by the plaintiff and is not part of his line.

Deponent states that the plaintiff never has given permission, as far as he knows and as he verily believes, to the defendant to have labels printed up with the plaintiff's name thereon and with his trade marks thereon.

141

Deponent states that the inevitable effect of the sale by the plaintiff of such articles as herein complained of is to deceive the trade and public into thinking that these articles are directly put out by the plaintiff and under his authority and deponent refers to and makes a part of this affidavit, the affidavit filed by him in the case of

142 *Affidavit of Benjamin E. Levy.*

Coty vs. Ivory Novelties Trading Co., Inc., an action pending in this Court, Equity 23-145.

BENJAMIN E. LEVY.

Sworn to before me this
31st day of Nov., 1922.

RENEE C. HUMPHREY,
Notary Public,
New York County. .
(Filed April 5, 1922.)

143

144

Affidavit of Benjamin E. Levy.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

IVORY NOVELTIES TRADING COM-
PANY,

Defendant.

E. 23-145.

State of New York, }
County of New York, } ss.:
City of New York, }

BENJAMIN E. LEVY, being duly sworn, deposes
and says:

That he has acted as the commercial repre-
sentative of the plaintiff herein in the United
States of America for more than five years, and
that for many years he has been thoroughly ac-
quainted with said plaintiff's merchandise. Dur-
ing this period deponent has frequently visited
plaintiff's establishment in France and in-
spected and become thoroughly acquainted with
his goods. All of said goods of Coty are made
in France and they are exported from France
in their completed condition, and packed in con-
tainers made in France, so that no manufactur-

ing or packing operation of any kind on the goods is performed after the goods leave plaintiff's French establishment.

Deponent states positively that the compacts shown in the defendant's box referred to are not of plaintiff's manufacture. The size is not the same, and as can be seen from "Plaintiff's Exhibit Broken Compact" hereunto annexed and showing one of defendant's compacts in a broken condition defendant's compacts are pasted to a glass back whereby it is pasted to the bottom of the metal box which has never been done by plaintiff. Plaintiff's compacts each have a star-shaped depression in its base, which is missing in defendant's compact.

The plaintiff, like other high class manufacturers, has always refused to pack perfumed face powder either in the loose form, or in the compact form in metal boxes, unless lined with cardboard, etc. because this injures the perfume and the packing adopted by defendant is adapted to injure whatever perfume is contained in its compacts and injure plaintiffs' reputation irreparably.

The manufacture of a compact requires not only the use of a binder but skill and care in the manufacturing process so as to prevent the escape of the volatile ingredients of the perfume, and the product of a clean, sanitary article, which shall have proper coherence, but shall not be so hard as to prevent the removal of the powder by means of the puff. The sale by defendant of a compact under the plaintiff's trademark, with the use of ingredients and manufacturing methods over which plaintiff has no control, would cause irreparable injury.

Affidavit of Benjamin E. Levy.

151

Deponent annexes hereto and makes a part of this affidavit, a letter received on Friday, February 24th, 1922, from Julius Gutman & Co., and he also annexes hereunto and makes a part of this affidavit, a box marked "Plaintiff's Exhibit, Gutman Returns," which contains the six boxes of defendant's compacts referred to in said letter, and which were received from said concern together with the letter.

This Gutman letter was received by deponent in the ordinary course of business and without any previous correspondence or communication of any kind whatever with said concern, and the only reason why Julius Gutman & Co. wrote this letter and returned these goods to deponent is because they believed these goods to be plaintiff's goods. The return of plaintiff's goods to deponent is not an unusual transaction.

152

Plaintiff has a very high standing in the United States, and it is necessary to protect a very large business which extends throughout the United States that the unauthorized use of his reputation should be stopped forthwith.

BENJAMIN E. LEVY.

153

Sworn to before me this
day of February, 1922.

RENEE C. HUMPHREY,
Notary Public,
New York County.

154

Affidavit of Benjamin E. Levy.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

IVORY NOVELTIES TRADING COM-
PANY, INC.,

Defendant.

155

JULIUS GUTMAN & Co.

Baltimore, Feb. 22nd, 1922.

B. E. Levy,
714 Fifth Avenue,
New York.*Attention Mr. Brooks*

Gentlemen:

156

We are returning to you today, 1/2 dozen Lori-
gan Compacte value \$4.00 which we cannot use.Kindly send us credit invoice for same, and
oblige.

Very truly yours,

JULIUS GUTMAN & Co.

DPA:HES.

Affidavit of David Kronish.

UNITED STATES DISTRICT COURT,
SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

158

STATE OF NEW YORK, {
COUNTY OF NEW YORK. { ss. :

DAVID KRONISH, being duly sworn, says: That he is the chemist for ADOLPH KLAR in business at 5 East 19th Street, Borough of Manhattan, City of New York. That he knows the powder of the plaintiff called by the plaintiff "L'Origan." That he is familiar with the packing thereof.

That he makes the compacts of powder sold by the defendant from the genuine powder of the plaintiff sold in packages by the plaintiff and labelled "Cette Boite Reniferna de la poudre Riz de couleur Blanche parfume a L'Origande Coty."

159

That only such ingredients are added and in such quantities as are required to put the

160

Affidavit of David Kronish.

powder in the form of compacts. That none of the ingredients used are harmful to the skin. The deponent from his long and actual experience in the perfumery business believes that the powder loses none of its qualities or characteristics by such compacting, and that the metal box used by defendant has no deleterious effect upon the powder or compact and that many good powders are so packed and that he packs his own powder of compact in like or similar containers.

161

DAVID KRONISH

Sworn to before me the
12th day of April, 1922.

ALBERT SINGER,
Commissioner of Deeds,
N. Y. City, Reg. 29.
(Filed June 23, 1922.)

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Affidavit of Richard Bennett.

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UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

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CITY, COUNTY AND STATE OF NEW YORK, ss.:

RICHARD BENNETT, being duly sworn, deposes and says, that he resides in the City of New York, and was from the period commencing April, 1921 until December, 1921, the President of the IMPORTERS EXCHANGE, INC., a New York Corporation.

That the said IMPORTERS EXCHANGE, INC., are in the business of getting up a package known as FLACONNETTES and selling same, and that the originator of the said idea of selling standard perfumes in small quantities in small vials was your deponent.

165

That your deponent knows BENJAMIN E. LEVY, the United States representative of the above named plaintiff. That your deponent, as a representative of the IMPORTERS EXCHANGE, INC., purchased perfume in bulk from the said BENJAMIN E. LEVY, for the express purpose of filling the small vials sold by the IMPORTERS EXCHANGE, INC., with the said perfume.

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Affidavit of Richard Bennett.

That the said perfume so purchased from the said BENJAMIN E. LEVY was COTY's "L'ORIGAN" and other odors of the same manufacturer.

That the said BENJAMIN E. LEVY was told, at the time that the said perfume was purchased, the purposes for which the same was to be used and he was also shown one of the bottles and packages sold by the IMPORTERS EXCHANGE, INC.

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That the said BENJAMIN E. LEVY at that time had no objection to the use of the Coty perfumes for such purposes. That he well knew that the business of the IMPORTERS EXCHANGE, INC., was the re-bottling and selling the same perfume in small packages known as FLACONNETTES and bearing the label FLACONNETTES of L'ORIGAN CONTENTS MADE BY COTY, PARIS, and the said BENJAMIN E. LEVY knew at all times that the perfume sold by him to IMPORTERS EXCHANGE, INC., was so intended to be used.

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The amount of Coty perfume purchased by the IMPORTERS EXCHANGE, INC., from BENJAMIN E. LEVY, the sole representative of Coty in this country for the period during which your deponent was President of the IMPORTERS EXCHANGE INC., amounted to approximately Forty thousand (\$40,000.00) Dollars.

RICHARD BENNETT.

Sworn to before me this
12th day of April, 1922.

MEYER BERGER,
Notary Public,
N. Y. Co.

(Filed June 23, 1922.)

Affidavit of Richmond Rochester.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

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State of New York, }
County of New York, } ss.:

RICHMOND ROCHESTER, being duly sworn, says:
that he is a citizen of the United States and
manager of the defendant corporation.

That deponent has resided in Paris, France
and is familiar with the perfume and toilet
preparations there produced and sold and has
been so familiar for upwards of twenty years.
That after deponent's service for the United
States in the late war, he engaged in the business
of packing and selling perfumes and toilet ar-
ticles in the City of New York.

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That it is and it has been the custom of the
plaintiff to sell his perfume called by him
"L'Origan" in large eight ounce bottles, a speci-
men of which will be produced on the hearing

herein. That it is and has been the custom of many dealers for years past, with the knowledge of the representative of the plaintiff, to buy said eight ounce bottles of plaintiffs' product and to repack the same in smaller packages and sell them to the retail trade. That plaintiff's representative, as deponent is informed and believes, has sold to other dealers so repacking the plaintiff's product large quantities of plaintiff's product, well knowing that the dealers to whom such sales were made had been repacking the same in smaller packages and intended to and continue to do so. That in the City of New York at least two dealers are now continuing that same practice with perfume purchased from plaintiff's representative for that very purpose. That the repacked perfume of the plaintiff has been on sale in many places in the City of New York for several years and is now so on sale. That the sales of one of the concerns so repacking plaintiff's article is so extensive that it must be well known to plaintiff's representative. That the perfume packed and sold by defendant is the genuine product of the plaintiff in exactly the condition it was when purchased from the plaintiff. That defendant has purchased said perfume in large eight ounce packages from various concerns which have purchased it from plaintiff here or in France.

That at no time has defendant sold under the name "L'Origan" any perfume other than that of the plaintiff and it has never been adulterated or added to in any way whatsoever. That the

labels and style of package of defendant are entirely distinct from those employed by plaintiff and there is not the slightest possibility that the package of the defendant will be mistaken for that of the plaintiff.

That the word "L'Origan" used by the plaintiff is a descriptive term or it is deceptive. That in the French language it means "The Origan". Origan is a well known aromatic herb used from time immemorial.

It has been for many years used in the trade dealing in essential oils from which perfumes are made. It is defined in the Century Dictionary as follows: * * * Origan * * * a plant of the the genus *origanum*; marjoram, wild marjoram, also pennyroyal.

176

The word "origan" appears in all of the leading english dictionaries. One of these defines it as

"*Origanum*, a genus of aromatic plants the majoram containing numerous south European species. *Marjorana* is the sweet or garden marjoram" and cites an early use as follows:

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"Bathing herself in origane and thyme"

Spenser's *Faerie Queen* I, ii—40.

Thus as far back as Spenser's day "Origan" was used for perfume to scent the body. The word "origan" is derived from the latin "*origanum*".

The "Origan" is described in many scientific books and encyclopedias. In the Dictionaire de l'Academie Francaise, year 1878 Volume, page 318 appear "Origan de Botau, de plantes de la famille des labrees la marjolaine est un espece d'oregan (of oregan)".

The Encyclopedia Britannica, 1910 Volume, page 727, 11th edition gives "marjoram in botony the common name for some aromatic herb or under brush belonging to the genus "Origanum".

179 The Societe Anomyne de la Grand Encyclopedia at page 563, Volume 25 gives "Oregan, a tabular animal herb aromatic in odor".

In Parrys Chemistry of Essential Oils and Artificial perfumes, page 239, we find "Origanum (Lat.) used by the ancient Egyptians, imported to America in 1573 from North Africa". There is also a treatise on "Origan" in Volume 1 (1899) of Les Huiles Essentielles by Charabot, De Pont and Pillet.

180 It has always been customary to use the names of flowers in order to distinguish the source of the particular ingredient, as violet, rose, geranium etc. The plaintiff, himself, uses many such names. "Origan" is no exception to this rule as it distinguishes a particular odor and informs the public that it is derived from the "origan".

"Origan" is an aromatic herb and the plaintiff's product bearing "lorigan" was advertised in France as an "aromatic" perfume.

Sweet marjoram which is the garden variety of "origan" is also a well known perfuming ingredient. The trade journals list marjoram.

Affidavit of Richmond Rochester.

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For instance the Perfumers Journal and Essential Oil Recorder, August, 1921, page 22 states, "Roses are grown on an immense scale in the region about Lyons for manufacture of perfumery, likewise sage, thyme and sweet marjoram". The American Perfumer of March, 1921 page 9 says, "The rose growers of Lyons have been instrumental in the manufacture of the 'roses de France'. There are many other plants in this region such as sage, thyme and sweet marjoram used in making essential oils for perfumes.

182

That the word, "origan" has been used as a descriptive term by perfumers for many years. That deponent knows it was used in Paris as a designation for perfume long prior to 1909. That deponent was in Paris long before 1909 and saw Origan perfume not manufactured by the plaintiff on sale in many retail shops. That deponent has endeavored to obtain some old catalogues which would show this fact but the time given on this motion is too short to get same from France. Deponent has, however, taken steps to get such proof from France. That the deponent has searched in the public library in New York City at Fifth Avenue and 42nd Street and in the 1910 directory of the City of Paris, (and which must have been compiled long before the date of its publication) and finds an advertisement of Djennel, a Paris Perfume producer, in which he advertises his "L'Origan" perfume.

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That the 1920 Paris directory contains the following advertisement at page 2404. "Arys",

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Affidavit of Richmond Rochester.

a well known and very large manufacturer of perfumes, advertises among others "Origanettes". At page 2409 Parfumerie des Fleurs of Faul. St. Martin 142, advertises its make of "l'Origan". At page 2412, "Silvy" a well known and old perfumer at Boulevard Baumarches 13 advertises his "Secrets origan".

That the 1921 Paris directory contains the following advertisement at page 2838: "Djennel, a well known perfumer advertises his "L'Origan". At page 2846 "Rillis" of Rue Lamarek 124 advertises his "Origan".

185

That plaintiff's powder package reads: "Cette Boite Renferme de la Poudre de Riz de couleur Blanche Parfumes a L'Origan de Coty" which translated into English means "This box is filled (closed) of powder of rice of white color perfumed with the origan of Coty". Thus on the powder box label the word "Origan" is used simply to describe the powder in a white rice powder perfumed with Origan.

186

That among the large customers of the plaintiff who repack the "Origan" of the plaintiff in smaller packages on a very large scale is Flaconettes of New York City. That a specimen of Flaconettes package will be produced on the hearing herein. That such specimen is marked defendant's Exhibit "A". That another package produced by Midjets, Inc., is marked defendant's exhibit "B". That a specimen of defendant's "L'Origan" perfume is marked defendant's exhibit "C". That specimens of defendant's powder are marked defendant's exhibits "D" and

Affidavit of Richmond Rochester.

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"E". That a copy of the Perfumers Journal and Essential Oil Recorder of August, 1921, is marked defendant's exhibit "F". That a copy of the American Perfumer for March, 1921 is marked defendant's exhibit "G". That a copy of the American Perfumer for March, 1922, is marked defendant's exhibit "H". That all of the above exhibits will be used on the hearing herein and may be examined at the office of the defendant's attorney.

188

POWDER PACKAGE

That the powder compact packed and sold by the defendant is the genuine powder of the plaintiff bought by the defendant in plaintiff's packages pressed into compacts for defendant by Adolph Klar of New York City. That only such additional ingredients are used as are necessary to compact the powder. That the labels and style of package used by the defendant is in no way similar to that of the plaintiff and there is no possibility that it can be confused with that used by the plaintiff. That a specimen thereof will be produced upon the hearing herein. That in order to further prevent any possibility of purchasers mistaking defendant's compact with plaintiff's package and packing, a further label has been added to and used with the defendant's box reading as follows: "Prestonettes, Inc. guarantees that the powder in this compact is genuine Coty and that only the necessary ingre-

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Affidavit of Richmond Rochester.

dients are added to insure firmness. Prestonettes, Inc."

That it is not true as alleged in the complaint that there is only one "Coty" in the perfume and powder business. The 1910 Paris City directory lists, "Coty, Earnest, perfumer, Montel 8, bis". That the word "Coty" is a family name and as such incapable of exclusive appropriation as a trade mark.

191

That the defendant has no knowledge or information except from the complaint as to the allegations set forth in paragraphs "1," "3," "4," "5", "6", "7", "8" and therefore denies the same except that the defendant admits that perfume with the name "Coty" and "L'Origan" has been imported and sold in the United States for several years last past. That defendant denies that the word "L'Origan" has been registered in the United States Patent Office as alleged in the complaint but admits that the word "Lorigan" was so registered as appeared by the copy of such registration attached to said complaint. Defendant denies that any deception has resulted in the trade or among the public from the acts of the defendant or by the use made by it of the words "Coty" or "L'Origan".

192 That they have been used truthfully and honestly to describe the actual contents of defendant's packages, which are in fact plaintiff's product as above set forth and are actually in the condition as sold by plaintiff except that the powder has had a compacting ingredient added to hold the powder in the compact form. Defendant

Affidavit of Richmond Rochester.

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denies that his label or packages create or are likely to create the belief that defendant's packing is plaintiff's packing. That the public and trade will know plaintiff's packages and defendant's do not resemble them. Defendant denies the allegations of paragraphs 13 and 16 of the complaint. That defendant has no intention of infringing plaintiff's rights and seeks only to state the facts.

194

That the defendant has a well established business in good standing and reputation. That its business is extensive and growing. That the defendant is well able to answer to plaintiff for any alleged damage that plaintiff may claim against defendant. That defendant denies that it has caused plaintiff any damage and is well within its rights in doing the acts herein set forth and is ready to establish them upon the trial herein and is anxious of having an early trial of the cause so that both parties may produce full proofs of their contention and obtain an adjudication upon the merits after such full proofs. That the plaintiff has sought and is seeking before a final determination of this action to destroy the defendant's business. That he has recently caused notices to be sent to defendant's customers warning them against purchasing and selling defendant's products and threatening if they do so. That plaintiff's acts have caused defendant great injury because of such annoyance and spreading alarm among defendant's customers. That such acts of plaintiff are unfair and doing irreparable injury. That

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Affidavit of Richmond Rochester.

deponent respectfully asks that during the pendency of this action plaintiff be enjoined and restrained from interfering with or molesting defendant's customers.

RICHMOND ROCHESTER, JR.

Sworn to before me the
12th day of April, 1922.

GEORGE ZIMBERG,

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Notary Public, Kings County,
County Clerk's No. 33, Register's No. 3015,
Certificate filed in New York County,
County Clerk's No. 37, Register's No. 3033,
Term expires March 30, 1923.

(Seal)

(Filed June 23, 1922.)

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Opinion.

UNITED STATES DISTRICT COURT,
SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO	}	E. 23-261.
COTY,		
Complainant,		
against		
PRESTONETTES, INC.,	}	200
Defendant.		

Mock & Blum, Solicitors for Complainant,

Maurice J. Moore, Solicitor for Defendant,

I. Maurice Wormser, *Amicus Curiae*.

AUGUSTUS N. HAND, District Judge:

This is a motion for a preliminary injunction to restrain the infringement of the trade-mark "L'ORIGAN," when used upon perfumes, face powders and similar preparations. The complainant is a French manufacturer of toilet preparations, and in 1921 registered two trade-marks in the United States Patent Office, having filed his application therefor October 27, 1920. He stated in his application that the trade-mark "L'ORIGAN" had been continuously used in his

business since the year 1909, and the trade-mark "COTY" since the year 1905.

The bill of complaint alleges that complainant has been engaged in exporting toilet preparations to the United States and selling them there by means of a representative "previous to and in the year 1909," and that in the year 1909 he adopted the trade-mark "L'ORIGAN," a trade-mark and trade-name to distinguish the said toilet preparations and to identify them to the trade in the United States and elsewhere in the world.

The defendant is selling face powder and perfume. The former is packed in a metal box bearing the inscription "French Prestonnettes of Coty's L'Origan," contained in a paste-board box having on the top of the cover the words: "Coty's L'Origan Powder," and on the side, and in smaller letters: "Packed and Fabricated by Prestonnettes, Inc., 299 Broadway." On the bottom of the box are these words: "Notice: The powder used in this Compact is taken from an original Coty box and Guaranteed if this seal is unbroken." The perfume sold by defendant is put up in a bottle, on which is a label "French Prestonnettes of Coty's L'Origan."

I do not understand that it is denied that L'Origan was used for more than ten years before application was made for its registration. Whether or not L'Origan is a descriptive term, apparently its only use known to the public in this country as a toilet perfume has been to describe Coty's goods. Under such circumstances, the words have obtained a secondary meaning and were registered as a trade-mark

under the rule laid down by the Supreme Court in *Thaddeus Davids Co. v. Davids*, 233 U. S. 461.

There is no question that after the defendant purchased L'Origan face powder and perfume from the complainant, it could sell it in the original packages. The real question is whether it can re-bottle the perfume and add material to the face powder in order to compact it, and sell these articles practically as the goods of Coty.

Complainant relies principally upon the case of *Coca Cola v. Bennett*, 238 Fed. 513. There the Coca Cola syrup was bottled with carbonated water and sold under the trade-mark Coca Cola, which was the trade-name of the manufacturer of the syrup. The Circuit Court of Appeals for the Eighth Circuit enjoined such sales.

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There was apparently an injunction granted by Judge Trieber in the case of *Coca Cola v. J. G. Butler & Sons*, 229 Fed. 224, to prevent the sale under the trade-mark Coca Cola of Coca Cola syrup, rebottled, unadulterated, by the defendant. In the case of *Russian Cement Co. v. Frauchur, et al.*, 133 Fed. 518, the defendant sold LePage's Liquid Glue, but under the statement on the bottom that it was bottled by "Columbia Wax Works, New York."

207

In the case of *People v. Luhrs*, 195 N. Y. 377, the Court of Appeals of the State of New York held that the state statute forbidding the sale of goods which are represented in any manner to be the manufacture, packing, bottling, boxing or product of any person unless such goods are contained in the original package extends to the

bottling of a liquid as well as the making, and cited with approval the remarks of Clarke, J., in the Appellate Division, when the same case was on appeal to that court, to the effect that:

"The trade-mark and label guarantees that the whiskey in the bottle has not only been manufactured by the Wilson Distilling Company but that the contents of the bottle have been placed in that identical bottle by the same company."

In the case of *Apollinaris v. Scherer*, 27 Fed. 18, Judge Wallace held that where the defendant had purchased water known as Hunyadi Janos and sold it after himself bottling it in bottles containing the same label as that used by the original manufacturer, without any statement that he had so bottled it, no injunction would lie. This case seems to be opposed to the spirit of the case of *Coca Cola v. Bennett*, *supra*, and the decision in the case of *Coca Cola v. J. G. Butler & Sons*, *supra*.

The metal boxes which contain defendant's face powder certainly give no hint that this powder is compacted by the defendants; indeed, individual buyers knowing nothing about Prestonnettes, and knowing the reputation of Coty's toilet preparations might be entirely mislead and might suppose that Coty had packed and fabricated the face powder. The outer paste-board box does say on the side that the contents were packed and fabricated by Prestonnettes, Inc., but the obvious mark is that which is in large letters on the top of the box "Coty's "L'Origan Powder."

Opinion.

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In respect to the perfume, there is no evidence of anything except a mere re-bottling and the case is less clear than in the case of the face powder which is treated by the defendant in its own way. The latter comes clearly within the case of *Coca Cola v. Bennet, supra*; the perfume within Judge Trieber's decision in the case of *Coca Cola v. J. C. Butler & Sons, supra*.

I am of the opinion that the defendant has infringed complainant's trade-mark by affixing it to the face powder which though purchased by the defendant from the complainant has been treated and packed by it. This should not continue, without a much clearer warning to the public that the merchandise is packed and fabricated by the defendant. The affidavits show the care with which complainant compacts its face powder. The latter, as well as the public, are entitled, to have it unmistakably known that a face powder sold as originating with the complaint is fabricated and packed by another. The same rule must apply in case of the perfumery, and a preliminary injunction will be granted as to bottles which do not contain labels securely fixed prominently setting forth that the perfumery has been bottled by the defendant. Anything else leads to misconstruction. There is no adequate proof that the complainant has ever consented to a sale by the defendant in containers which have failed to state that the goods were not by complainant, or has waived any of his rights in the premises.

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The motion for a preliminary injunction is granted. The bond to be furnished will be fixed upon the settlement of the order, which must be upon notice.

A. N. H.,

June 23, 1922.

D. J.

214

Order.

At a Stated Term of the United States District Court held in and for the Southern District of New York in the Post Office Building, Borough of Manhattan, City and State of New York, this 26th day of June, 1922.

Present :

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Hon. AUGUSTUS N. HAND,
District Judge.

FRANCOIS JOSEPH DE SPOTURNO COTY, Complainant, against PRESTONETTES, INC., Defendant.	}	E. 23-261.
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This cause came on to be heard at the April Term, 1922, and upon hearing counsel for the parties, it was

ORDERED, that upon the plaintiff filing a bond according to law in the sum of One Thousand Dollars (\$1,000.00) that an injunction be issued under the seal of this Court and directed to the defendant, its officers, agents, servants, and all persons acting through and under it or in privity therewith restraining and enjoining them

Order.

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until further order of this Court from using "Coty" or any deceptive simulation thereof, or "L'Origan" or any deceptive simulation thereof, and in particular from using "Origan," save to resell the unaltered articles sold by the plaintiff herein in the identical containers or bottles in which said articles have been packed or rebottled by said plaintiff, save that the defendant may use the following statement to designate the unaltered perfumes sold by plaintiff if independently rebottled by defendant, said statement to appear only on labels securely affixed to defendant's bottles and containers:

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"Prestonnettes, Inc., not connected with Coty, states that the contents are Coty's ——— (giving the name of the article) independently rebottled in New York,"

every word of said statement to be in letters of the same size, color, type and general distinctiveness.

And that if the defendant makes and sells compacts of face powder from the genuine loose powder of plaintiff, it may designate such compacts by the following statement, said statement to appear only on labels securely affixed to defendant's containers:

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"Prestonnettes, Inc., not connected with Coty, states that the compacts of face powder herein was independently compounded by it from Coty's ——— (giving the name) loose powder and its own binder.

220

Order.

Loose powder——percent, Binder——
percent,”

every word of said statement to be in letters of the same size, color, type and general distinctiveness.

221

And that the advertising, circulars, placards, documents in general and oral statements used by defendant and the before mentioned other persons to sell or offer for sale the articles identified by the before mentioned labels shall conform to the requirements specified for such labels.

AUGUSTUS N. HAND,
United States District Judge.

A true Copy.

ALEX. GILCHRIST, JR.

(Filed June 27, 1922.)

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Petition for Appeal.

UNITED STATES DISTRICT COURT,
SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO	}
COTY,	
Plaintiff,	
against	
PRESTONETTES, Inc.,	}
Defendant.	

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TO THE HONORABLE JUDGES OF THE SAID COURT:

Now comes the plaintiff by Mock & Blum, his attorneys and feeling himself aggrieved by the order of this Court entered on the 27th day of June, 1922, hereby prays that an appeal be allowed to him from the said order to the United States Circuit Court of Appeals for the Second Circuit and in connection with his petition, petitioner herewith presents his assignment of errors.

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Dated, July 24, 1922.

MOCK & BLUM,
Solicitors for Plaintiff-Appellant,
P. O. Address,
220 Broadway,
New York, N. Y.

224

Order Allowing Appeal.

The above appeal is allowed.

AUGUSTUS N. HAND,
United States District Judge.

July 26, 1922.

(Filed July 27, 1922.)

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Assignment of Error.

UNITED STATES DISTRICT COURT,
SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO	}
COTY,	
Plaintiff,	
against	
PRESTONETTES, INC.,	}
Defendant.	

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Now comes the plaintiff in the above entitled cause and in connection with his petition for appeal respectfully sets forth the following as the assignments of error herein:

1. That the Court erred in not enjoining the defendant from rebottling the perfumes of the plaintiff and selling them with the use of his trademarks "Coty" and "Origan."

2. That the Court erred in not enjoining the defendant from manufacturing compacts of face powder from the plaintiff's powder and selling such compacts with the use of the trademarks "Coty" and "Origan."

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3. That the Court erred in permitting the defendant to make any use whatever of the plaintiff's trademarks "Coty" and "Origan"

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Assignments of Error.

save to resell the identical articles produced by the plaintiff, and in the identical containers or packages of the plaintiff.

4. That the Court erred in not granting unto the plaintiff the full and entire relief prayed for.

By reason whereof the plaintiff-appellant prays that said order be reversed and remanded with directions to proceed in accordance with law and that such other and further relief may be granted as may be deemed proper.

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MOCK & BLUM,
Solicitors for Plaintiff-Appellant.

(Filed July 27, 1922.)

234

Praecipe.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

236

SIR:

You will please take notice that the plaintiff intends to include the following in its record on appeal from the order granting the preliminary injunction herein:

Complaint, verified March 31st, 1922.

Affidavit of Ley Benedict, verified April 13th,
1922.

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Affidavit of Edna E. Wilson, verified April
13, 1922.Affidavit of Louis Spencer Levy, verified
April 13, 1922.Affidavit of Elmer M. Laning, verified April
12, 1922.

238

Præcipe.

Affidavit of Frank J. M. Miles, verified April 13, 1922.

Affidavit of Hugo Mock, verified April 13, 1922.

Affidavit of B. E. Levy, verified March 31, 1922.

Affidavit of B. E. Levy, in the case of *Coty vs. Ivory Novelties Trading Co., Inc.*, referred to in his said affidavit verified March 31st, 1922.

239

Affidavit of David Kronish, verified April 12, 1922.

Affidavit of Richard Bennett, verified April 12, 1922.

Affidavit of Richmond Rochester, verified April 12, 1922.

Opinion of Judge Augustus N. Hand.

240

Order appealed from.

Petition for appeal and order allowing the same.

Assignment of errors.

Citation.

Præcipe.

241

Stipulation as to the record and certificate
of clerk.

MOCK & BLUM,
Solicitors for Plaintiff.

To:

MAURICE J. MOORE,
Solicitor for Defendant,
141 Broadway,
New York City.

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IT IS HEREBY AGREED AND STIPULATED that the
record on appeal shall consist of the above men-
tioned papers in full.

MOCK & BLUM,
Solicitors for Plaintiff,

MAURICE J. MOORE,
Solicitor for Defendant.

Approved of and it is so Ordered August 19,
1922.

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AUGUSTUS N. HAND,
U. S. D. J.

244

Citation.UNITED STATES CIRCUIT COURT OF
APPEALS,

FOR THE SECOND CIRCUIT.

United States of America, ss.:

THE PRESIDENT OF THE UNITED STATES,

To PRESTONETTES, INC.,

GREETING:

245

YOU ARE HEREBY CITED and admonished to be and appear in the United States Circuit Court of Appeals for the Second Circuit at a term thereof to be held at the City of New York on the 24th day of August, 1922, pursuant to an appeal from an order entered June 27, 1922, in the District Court of the United States for the Southern District of New York in a cause in the said Court wherein you are defendant and Francois Joseph de Spoturno Coty is the plaintiff, to show cause, if any there be, why the said order should not be reversed or corrected, and why speedy justice should not be done to the parties in that behalf.

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Given under my hand at the City of New York, in the said District and Circuit named this 26th day of July in the year of our Lord One Thousand Nine Hundred and Twenty-two and of the Independence of the United States the One hundred and Forty-seventh.

AUGUSTUS N. HAND,
United States District Judge.

(Filed July 31, 1922.)

Stipulation.

UNITED STATES DISTRICT COURT,

SOUTHERN DISTRICT OF NEW YORK.

FRANCOIS JOSEPH DE SPOTURNO
COTY,
Plaintiff-Appellant,
vs.
PRESTONETTES, INC.,
Defendant-Appellee.

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It is hereby stipulated and agreed, that the foregoing is a true transcript of the record of the said District Court in the above-entitled matter as agreed on by the parties.

Dated, September 6th, 1922.

MOCK & BLUM,
Attorneys for Plaintiff-Appellant.

MAURICE J. MOORE,
Attorney for Defendant-Appellee. 249

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Clerk's Certificate.

UNITED STATES OF AMERICA, }
 Southern District of New York, } ss.:

FRANCOIS JOSEPH DE SPOTURNO	}
COTY,	
Plaintiff-Appellant,	
vs.	
PRESTONETTES, INC.,	
Defendant-Appellee.	}

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I, ALEXANDER GILCHRIST, JR., Clerk of the District Court of the United States of America for the Southern District of New York, do hereby Certify that the foregoing is a correct transcript of the record of the said District Court in the above-entitled matter as agreed on by the parties.

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In testimony whereof, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern District of New York, this 6th day of September, in the year of our Lord one thousand nine hundred and twenty-two and of the Independence of the said United States the one hundred and forty-seventh.

(Seal) ALEX. GILCHRIST, JR.,
Clerk.

Opinion.

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UNITED STATES CIRCUIT COURT
OF APPEALS

FOR THE SECOND CIRCUIT.

No. 112—OCTOBER TERM, 1922.

Argued October 3, 1922. Decided October 31, 1922.

FRANCOIS JOSEPH DE SPOTURNO COTY, Plaintiff-Appellant, against PRESTONETTES, INC., Defendant-Appellee.

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Appeal from the District Court of the United
States for the Southern District of New York.

Before: ROGERS, MANTON and MAYER,
Circuit Judges.

MOCK & BLUM, for Plaintiff-Appellant.

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I. MAURICE WORMISER, ISAAC REISS, for Defendant-Appellee.

This case comes here from the United States
District Court for the Southern District of New
York.

The facts are stated in the opinion.

ROGERS, *Circuit Judge*. This suit is brought for the infringement of trade-marks, and a preliminary injunction as prayed for has been denied, although a limited restriction has been placed upon the defendant.

257 The plaintiff is a citizen of the Republic of France and a resident of the City of Paris. Under Section 24 of the Judicial Code an alien can sue a citizen of the United States in a Federal Court. He must, however, sue in the district in which the citizen resides. The alienage of the plaintiff of itself gives jurisdiction to a court of the United States as against a citizen. *Vidal v. South American Securities Co.*, 276 Fed. 855, 865. The defendant herein is however a citizen of the State of New York, being a corporation organized under the laws of New York and having its principal place of business in the Southern District of New York. And as the amount in controversy herein and the value thereof is alleged in the complaint to be in excess of the sum of three thousand dollars, exclusive of interest and costs, the District Court has jurisdiction on the ground that the suit is one between an alien and a citizen which, as we proceed, will be found to be a fact of importance as the defendant is alleged to have violated the Statutes of the State of New York.

There is an additional ground of jurisdiction, however, inasmuch as it is claimed that the defendant has infringed the trade-mark which the plaintiff has registered under the Trade Mark Acts of Congress. The District Courts have jurisdiction in such cases.

The plaintiff is and for a number of years has been engaged in manufacturing in France perfumes, toilet waters, face and sachet powders, lotions for skin and hair, and other toilet preparations. His office and principal place of business is in Suresnes, which is a suburb of Paris. Previous to and in the year 1909 he alleges that he was engaged in exporting to the United States the before mentioned toilet preparations, and selling them in this country through a representative. In that year he alleges that he adopted the trade-mark and trade name L'Origan to designate his various preparations and to identify them to the trade in the United States and elsewhere as being of his manufacture. And in that year and continuously since that time he has exported to and sold in this country, both in interstate and intrastate commerce his aforesaid preparations packed in cartons, or bottles or boxes, with labels upon which the said trade-mark L'Origan was prominently placed to identify the goods as being of his manufacture. Large quantities of his preparations are alleged to have been sold in the United States and a very large and valuable good will was built up in this country in connection with this trade-mark L'Origan as designated to the public the plaintiff's products, which have attained a very high reputation because of his skill and the excellence of the ingredients used. Indeed, since 1905, his preparations have been sold throughout the principal countries of the world, and he has come to be recognized throughout the world as one of the

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leading manufacturers of perfumes. His business in the United States has steadily increased and in the year 1920 the sale of his products in this country amounted to more than \$1,000,000 and in 1921 they amounted to more than \$3,000,000. Prior to the bringing of this suit it is alleged that he has sold more than \$7,000,000 worth of his products in the United States.

It is alleged that on October 27, 1920, the plaintiff filed an application in the United States Patent Office to register the trade-mark L'Origan for the preparations before mentioned. And on September 27, 1921, a certificate of registration No. 146,974 was issued and is still in force, and the plaintiff it is alleged always has been and now is the sole and exclusive owner thereof.

It is also alleged that from the commencement of his business in 1905 up to the present time the plaintiff has always caused his surname Coty to be prominently affixed to each and every container of his product that has been sold by him so that since 1905 his trade-mark has been "Coty" and that so far as he knows and he verily believes he has been the only person to use the name "Coty," throughout the world as a trade-mark for perfumes and toilet preparations.

And it is alleged that on October 7, 1920, and the plaintiff, according to the provisions of the Act of March, 1920, filed in the United States Patent Office an application for the registration of the trade-mark "Coty" for his toilet preparations, and that upon October 4, 1921, such registration was granted and certificate No. 147,206

was issued to him, and that he has at all times since been the sole owner thereof and all the business and good will connected therewith.

The complaint alleges that in addition to the great care and skill which plaintiff has exercised in producing the before mentioned products designated by the trade mark L'Origan that he always has been and now is very careful in exercising the best of skill in so packing his products and in particular the face powder so that they shall retain their original desirable qualities; that in particular in packing and marketing the face powder, including compacts thereof, which is and for many years has been a well known toilet article, plaintiff always has been and now is exceedingly careful to pack said compacts tightly sealed in a container free from all metallic ingredients. Such container has always been made of cardboard or metal lined with cardboard.

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The complaint also alleges that notwithstanding the fact that plaintiff has never given any permission to any person whatever to repack his products, the defendant subsequent to September 27th, 1921 and previous to the filing of the complaint, has offered for sale and has sold in the Southern District of New York and elsewhere in the United States, metal containers containing a compact of face powder. That the compacts so sold by defendant were not manufactured by the plaintiff but were manufactured by the defendant or caused to be manufactured by it. That the manufacture of such compacts involves not only the use of face powder as an ingredient thereof

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but also of certain ingredients to act as binders and that the manufacture of a proper compact requires skill and attention so as to make the compact of sufficient coherence and at the same time not render it too hard. The label upon the containers used by defendant has in large and prominent type the words "Coty's L'Origan Face Powder" and the cover thereof also clearly has the words "Coty's L'Origan" thereon. That in addition the defendant has bottled and offered for sale and has sold in the Southern District of New York and elsewhere in the United States bottles of perfume upon which said bottles appear the words "Coty's L'Origan." That these bottles had not been filled by the plaintiff or with his consent and authority and that the defendant never has had any right or authority to cause any labels to be made upon which the words "Coty's L'Origan" appear.

It is alleged that the effect of the sale by defendant of the before mentioned compacts of face powder contained in the said metal containers has been to deceive the trade and public in that the trade and the public have thought and will think that this is a new package put out by the plaintiff and because the prominent and distinguishing feature of the said label is the use of plaintiff's name and trade-mark L'Origan; that the trade and public have been deceived into the belief that the compacts sold by defendant as above mentioned were the genuine compacts manufactured by the plaintiff, whereas the contrary is the case. That the effect of the

bottling by the said defendant of perfume under the name "Coty's L'Origan" has been to cause the public to think that this perfume has been bottled and offered for sale by the plaintiff or with his authority whereby the plaintiff against his will has been made responsible for any lack of care or cleanliness in handling or bottling the perfume. That to bottle perfume requires care and cleanliness so that the volatile ingredients of the perfume will not evaporate thus injuring its quality and that the perfume shall be maintained in a perfectly clean and sanitary condition as it is often applied to the skin of the person using it.

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It is alleged that the packing of a compact of face powder in a metal container injures the perfume added thereto and which is the main cause of the sale thereof in that said perfume contains a number of ingredients which are easily destroyed or altered so that the valuable properties of the perfume are injured. Plaintiff and the trade in general have always refrained from packaging high class toilet powders containing high class perfume in metal containers and the result of the acts complained of has been to injure the plaintiff's reputation connected with the said L'Origan face powder and will continue to injure its reputation in the future.

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The plaintiff's products have been chiefly known to the trade and public by his trade-mark "Coty" which is an uncommon name in the United States, and in the telephone directory of the City of New York there is no other person

by that name. The plaintiff complains of the use of the trade-mark "Coty" and of the trade-mark "L'Origan" or "Coty's L'Origan" on the containers or bottles with products placed therein by defendant and not by the plaintiff.

The plaintiff states and restates several times in his complaint that in the preparation and bottling of his perfumes and in preparation of his powders and compacts he employs great care and skill.

The affidavits presented to the court below upon the application for the temporary injunction showed that the bottles and packages in which the defendant rebottled and repacked the plaintiff's products and placed them on the market produced the impression that they contained a product "made, packed and put out" by Coty and that defendant's name in connection therewith was that of the importer.

The affidavits also show that great skill and care is needed in the preparation and bottling of perfumes and in the preparation of powders and compacts.

The following excerpt is from one having no interest in this litigation and who had never had any connection in any way with the plaintiff. It relates to the making and packing of compacts, and is amply sustained by other affidavits in the case:

"I consider it a sensible precaution and one which any perfumer is well justified in taking, to pack an article like a perfumed compact of face powder in such a manner

that it will not come directly in contact with the walls of a metal container. This is because such metal containers are usually finished off with a lacquer of some kind. This had an odor of its own.

"I have had considerable experience in manufacturing compacts or face powder like that of Coty's L'Origan, for example, and I wish to state that it requires considerable care and skill to make up a good compact. The binding material must be well chosen and of first class quality and the manufacture must be carried out with great care and supervision so that the compact shall not be too crumbly and not be too hard. In other words, even if a good face powder is chosen as the original ingredient of a compact, it is quite possible to make a very good compact if the binding material chosen is of poor quality or if the manufacturing process is not carried out under skilled and careful supervision."

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Another affidavit states that "It is very deleterious to repack a face powder perfume with a delicate odor into a compact as in every such operation a part of the original perfume is lost." And it appears that the plaintiff has at all times objected to any repacking of his face powders, either in the loose form or as manufactured into a compact save under his personal supervision in his French establishment.

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The defendant puts the compact he places on the market with Coty's name affixed to it into a metal box. And in one of the affidavits it is said:

"The plaintiff would never think of packing a face powder or compact in a metal box where the delicate perfume which the powder or compact contains can come in contact with metal walls and this is not considered to be good practice by producers of perfumes and toilet preparations."

In another of the affidavits it is said:

"The plaintiff * * * has always refused to pack perfumed face powder either in the loose form, or in compact form, in metal boxes, unless lined with cardboard, etc., because this injures the perfume and the packing adopted by defendant is adapted to injure whatever perfume is contained in its compacts and injure plaintiff's reputation irreparably.

The manufacture of a compact requires not only the use of a binder but skill and care in the manufacturing process so as to prevent the escape of the volatile ingredients of the perfume, and the product of a clean, sanitary article, which shall have proper coherence, but shall not be so hard as to prevent the removal of the powder by means of the puff. The sale by defendant of a compact under the plaintiff's trade-mark, with the use of ingredients and manufacturing methods over which plaintiff has no control, would cause irreparable injury."

It also appears that it is not an unusual thing for dealers who have purchased the defendant's compacts with the name Coty upon them to return them to the plaintiff thinking they were his products with the statement "we cannot use" them.

The court below in its order provided that upon the plaintiff filing a bond in the sum of one thousand dollars an injunction should issue restraining the defendant and all persons acting through and under it or in privity therewith from using

“ ‘Coty’ or any deceptive simulation thereof, or ‘L’Origan’ or any deceptive simulation thereof, and in particular from using ‘Origan’ save to resell the unaltered articles sold by the plaintiff herein in the identical containers or bottles in which said articles have been packed or rebottled by said plaintiff, save that the defendant may use the following statement to designate the unaltered perfumes sold by plaintiff if independently rebottled by defendant, said statement to appear only on labels securely affixed to defendant’s bottles and containers:

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‘Prestonnettes, Inc., not connected with Coty, states that the contents are Coty’s—(giving the name of the article) independently rebottled in New York.’
every word of said statement to be in letters of the same size, color, type and general distinctiveness.

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And that if the defendant makes and sells compacts of face powder from the genuine loose powder of plaintiff, it may designate such compacts by the following statement, said statement to appear only on labels securely affixed to defendant’s containers:

‘Prestonnettes, Inc., not connected with Coty, states that the compacts of face powder herein was independently compounded by it from Coty’s—(giving the name) loose powder and its own binder.

Loose powder——percent, Binder——percent.'

every word of said statement to be in letters of the same size, color, type and general distinctiveness.

And that the advertising, circulars, placards, documents in general and oral statements used by defendant and the before mentioned other persons to sell or offer for sale the articles identified by the before mentioned labels shall conform to the requirements specified for such labels."

And from this order the plaintiff has appealed to this court.

The assignments of error upon which appellant relies are the following:

1. That the Court erred in not enjoining the defendant from rebottling the perfumes of the plaintiff and selling them with the use of his trade-mark "Coty" and "L'Origan."

2. That the Court erred in not enjoining the defendant from manufacturing compacts of face powder from the plaintiff's powder and selling such compacts with the use of the trade marks "Coty" and "L'Origan."

3. That the Court erred in permitting the defendant to make and use whatever of the plaintiff's trade marks "Coty" and "L'Origan" save to resell the identical articles produced by the plaintiff, and in the identical containers or packages of the plaintiff.

4. That the Court erred in not granting to the plaintiff the full relief prayed for which was that injunctions be issued against the defendant enjoining it from making or causing to be made or selling or causing to be sold or offering for sale or causing to be offered for sale any perfumes, toilet preparations or powders with the use of the trade-mark or the trade-mark L'Origan save original packages purchased from plaintiff and designated by him with the said trade marks, and also enjoining it from infringing upon the said trade marks in any manner whatsoever.

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There is no doubt, of course, that the defendant after purchasing L'Origan face powders and perfumes from the complainant was entitled to sell them in the original packages. The plaintiff does not question the defendant's right to do that, and it is not involved in this case. But this appeal raises two very different questions which may be stated as follows:

FIRST. Can the name and trade-mark of a manufacturer of a delicate, volatile product, like a perfume, be used without his consent, to sell his rebottled perfume, provided the one who thus rebottles and sells places upon each bottle sold a label bearing his own name and announcing that he is not connected with the original manufacturer of the product but that the contents are those of the original manufacturer but independently rebottled by the one whose name the label bears.

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SECOND. Can the name and trade-mark of a manufacturer of a toilet preparation contain-

ing a delicate and volatile perfume, like a face powder compact, be used without his consent to sell an independently manufactured compact provided the independent manufacturer puts upon each containers sold a label containing his own name and stating that he is not connected with the original manufacturer and that his compact was independently compounded by him from the compound of the original manufacturer, together with his own binder and stating the percentage of each.

If these questions are to be answered in the affirmative the order below must be affirmed, but if otherwise it must be modified as prayed for by the appellant, and he is entitled to an absolute injunction. We answer the questions in the negative.

In *Coca-Cola Company v. Bennett*, 238 Fed. 513, the Circuit Court of Appeals in the Eighth Circuit unanimously decided that when a manufacturer of an article of food or drink sells it in bulk and also puts it up in bottles bearing a distinctive trade-mark the purchaser of the article in bulk cannot legally bottle it and affix the manufacturer's label to the bottle, reversing the District Court which had held a trade-mark not infringed by its use on the very article for which it was designed. In the *Coca-Cola* case the defendant purchased the genuine Coca-Cola syrup, mixed it with carbonated water, put it up in bottles, and sold it as a Coca-Cola beverage using the trade-mark "Coca-Cola" on the bottled product. In changing the syrup into a beverage by

the use of carbonated water the defendant claimed it did so in the same manner in which the plaintiff authorized those to do to whom it gave by contract the right to convert the syrup into a beverage and to bottle and sell the same for beverage purposes. The Court said:

"It is true the defendants might sell the bottling syrup which they buy under the appellant's trade-mark; but, since they change the syrup into a beverage without the permission and authority of appellant, they have no right to sell the same under appellant's trade-mark. The argument advanced is also faulty, as it would permit persons other than the owner of the trade-mark to control its use." It added that "The law seems to be settled that when a manufacturer of an article of food or drink sells it in bulk, and also puts it up in bottles, the latter bearing a distinctive trade-mark, a purchaser of the article in bulk will be guilty of unfair competition and be enjoined from bottling and affixing the manufacturer's distinctive label upon the goods bottled by him. *Coca-Cola Co. v. J. G. Butler & Sons* (D. C.), 229 Fed. 224; *Krauss v. Peebles Co.* (C. C., 58 Fed. 585, 592; *People v. Lohre*, 195 N. Y. 377, 89 N. E. 171, 25 L. R. A. (N. S.), 473; *Hennesy v. White*, *Cox Manual of Trade-Marks*, *secs.* 910, 759, and authorities there cited. One of the reasons given for this rule is that:

'Unless the manufacturer can control the bottling, he cannot guarantee that it is the genuine article prepared by him.'

And as said by Judge Trierer in *Coca-Cola Co. v. J. G. Butler & Sons*, *supra*);

'To this may be added that he cannot tell whether it is bottled in so careful a manner as is essential to the preservation of the article and the maintenance of its good reputation.' "

A similar question to that in *Coca-Cola Co. v. Bennett* had arisen previously in *Coca-Cola Co. v. J. G. Butler & Sons, supra*, which was in the District Court for the Western District of Arkansas. In this case the plaintiff was granted an injunction.

Charles E. Hires v. Arpapas, 180 Fed. 952, was almost identical in its facts with those in the *Coca-Cola* cases, and the Circuit Court for the District of South Carolina granted an injunction. The complainant in that case was the manufacturer of two preparations used for making root beer. One was prepared in syrup form, ready to be prepared as a beverage by the simple addition of carbonated water. The other preparation was an extract intended to be prepared as a beverage by the addition of sugar and water and fermented with yeast. The beverage so prepared was called "Hires" or "Hire's Root Beer." The defendant purchased the extract made by the complainant Hires and made a beverage therefrom by the addition of simple syrup and carbonated water but did not ferment it with yeast. He sold it as Hire's Root Beer. The District Judge held that the defendant violated the complainant's trade-name rights in the word "Hires."

The case of *Ingersoll v. Doyle*, 247 Fed. 620 decided by Circuit Judge Dodge in the District Court of Massachusetts is of interest in the matter now under consideration. In that case the defendants were absolutely enjoined from using the word "Ingersoll" in any manner in connection with genuine "Ingersoll" watches where the only change the defendants had made was to remove the dials from the "Ingersoll" watches and replace them with luminous dials of their own. The court held that "An Ingersoll watch of either grade, after the defendants' additions thereto or alterations therein have been made, is no longer what its makers offer to the public as a guaranteed Ingersoll watch, it has become a new construction." In that case the defendants asked that if an injunction should be granted it be qualified by adding:

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"Unless the defendants impress upon the dial of any such watch words plainly legible and plainly indicating that said watch has been altered and the particulars in which it has been altered by the defendants."

The Court refused to grant the defendants' request and said:

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"As to the first request, if, as I think, the defendants violate the plaintiffs' exclusive rights when they market their altered watches as Ingersoll watches without indicating the fact of alteration thereon, they would still be violating the plaintiffs' exclusive rights if they marketed such watches as Ingersoll watches, watches not such in their entirety, but new constructions. The de-

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fendants do not stand as if they had rights of their own to market other watches as Ingersoll watches, and were bound only to distinguish their product from the plaintiffs."

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Counsel for the defendant has called our attention to *Russia Cement Co. v. Franenhar*, 133 Fed. 518, decided by this court in 1904. The complainant in that case manufactured glue of different grades which it sold under the trade name of "Le Page." The defendants purchased certain of such glue in bulk, and bottled and sold it under the name of "Le Page's Glue" with a statement that it was manufactured by complainant and bottled by defendants. An injunction was refused. But in that case it appeared that at the time the defendants bought the glue from the complainant they informed it that they purchased for the express purpose of bottling it. The glue was put into bottles with labels bearing no similarity to those of the complainant. The labels read "LePage's Fish Glue, manufactured by Russia Cement Company, Gloucester, Mass. Bottled by Columbia Wax Works, New York." This court said that "In these circumstances we are unable to discover any ground on which complainant is entitled to the interposition of a court of equity on its behalf." But that case is plainly distinguishable from this in its facts. The court held that the plaintiff could not complain because defendant used the trade name on its inferior grade of glue inasmuch as the plaintiff itself did exactly the same thing

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so that there was no fraud upon the public. However, in cases of this nature each case must be decided according to its particular circumstances. The product involved in the Russia Cement Company case was glue, a staple product whose quality could not be affected by careless handling and rebottling. In the case now before the court the plaintiff's product was a delicate volatile product intended for personal use and was one that could be easily ruined by improper handling and bottling, and the powder preparations were such that their quality could be easily impaired by packing them in improper containers.

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The case of *Apollinaris Co. v. Scherer*, 27 Fed. 18, held that where the defendant had purchased water known as Hunyadi Janos and then had himself bottled it in bottles containing the same label as that used by the one who originally bottled it, an injunction would not be granted the court declaring that as the defendant was selling the genuine water the trade-mark was not infringed. In that case, unlike the case now before the court, there was no evidence to show that in rebottling there was any danger of impairing the value of the water, or any necessity for the use of great care or skill. The case is in its circumstances therefore clearly distinguishable from the one now before us.

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In *Fred Gretsch Mfg. Co. v. Schoening*, 238 Fed. 780, the complainant had purchased in Germany a package of violin strings manufactured in that country by C. A. Mueller, the strings

being identified by the trade-mark "Eternelle." The defendant had the exclusive agency for the sale of Mueller's strings in the United States and had, with Mueller's consent, registered the trade-mark "Eternelle" in the United States. The only question was as to the right of Schoening to import into the United States and sell here the violin strings under the trade-mark "Eternelle." The court simply held that as the goods imported were the genuine goods made by Mueller the importer could sell them under Mueller's trade-mark. No question of replacing the goods was involved.

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In *A. Bourjois & Co., Inc., v. Katzel*, 275 Fed. 539, the plaintiff, a New York corporation, imported in bulk a face powder manufactured in France by a French firm and sold there under the trade-mark Java. The defendant conducted a retail pharmacy in New York City and bought in France of the manufacturer the same genuine face powder, brought it to New York in the original boxes and sold it in the same boxes. The New York corporation had bought the business and good will in the United States of the French firm. The plaintiff repacked in New York the powder which it imported. The plaintiff sold its powder under the name of Poudre Java and put on the bottom of its boxes "Made in France. Packed in the U. S. A. by A. Bourjois & Co., Inc., of N. Y., Succ'rs in the U. S. to A. Bourjois & Cie and E. Wertheimer & Cie." The defendant sold the powder under the name "Poudre de Riz de Java" which was the name by which

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the plaintiff called its powder prior to 1916 when it abandoned that name for that of Poudre Java. But as it appears from the opinion below, 274 Fed. 856, 858, that the box or package in which defendant sold its powder was the box in which the powder was sold in France the question of re-packing was not involved. The right of the original manufacturer to be protected against the re-packing of a face powder and the dangers incident thereto was not presented or argued. All that this court decided was that as the goods were the genuine goods covered by the trade-mark the rights of the owner of the trade-marks had not been infringed. The case is therefore plainly distinguishable from the instant case.

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When a manufacturer sells an article identified by his name he gives no implied permission to anybody to do anything to that article which may change or injure its quality and still identify it by his name, and any such acts is a trespass which alone is a sufficient foundation for an injunction. If the plaintiff must allow anybody who buys his perfumes in the original bottles or containers in which he has put them with his label upon them to rebottle them or place them in different containers and sell them as the plaintiff's product it is evident that he is at everybody's mercy and to protect himself would be under the necessity of employing a staff of detectives and chemists to prevent persons, over whom he is without authority and without right of supervision, from injuring and

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adulterating the products with which his name is coupled. That irreparable injury might result from permitting the defendant, and if the defendant then others, to do what he has done and is doing, is we think plainly evident. The protection of the product in the original bottle and in the original package is of vital importance in such a case as this. The proper bottling of a perfume is essential to retaining its quality. If through carelessness or ignorance, or economy, the rebottling is not according to the plaintiff's standards, or some unscrupulous person should adulterate the perfume irreparable injury to the reputation of the plaintiff's product would result. In the same way the value of a face powder or other toilet preparation may be seriously impaired by the use of improper containers or by using unsuitable ingredients for binders. It was said in 195 N. Y. 385 that "If milk is sold in bottles under a label stating that it is the product of a dairy well-known to be reliable, and that it was placed in those bottles by the proprietor of the dairy, the public have the right to buy on the strength of the label and to invoke the protection of the law in making the purchase. The assurance that it was so bottled adds to the value of the milk, for if true, it excludes the possibility of substitution and fraud. The bottling is a material fact, for if done by the owner of the trade-mark it guarantees the quality of the article and furnishes the purchaser with the means of distinguishing it from any other." All this is applicable to the case under consideration.

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The plaintiff's name upon the original bottles of his perfume and upon the original packages of his toilet powders is a guarantee of quality and a means of distinguishing them from any other. Neither the plaintiff nor would be purchasers of his can be adequately protected if any dealer can take them out of the container and rebottle or repack them in a different container and sell them as the plaintiff's product. To hold otherwise is to open the door to imposition and fraud, and to practices difficult to detect and it would impair seriously the value of the trade-mark.

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The courts have not authoritatively and finally determined whether a trade-mark is to be primarily regarded as protecting the trade-mark owner's business or as protecting the public against imposition by its unauthorized and improper use. But we venture to think that while the purpose the Trade Mark Acts is two-fold the primary purpose is the protection of the trade-mark owner's business. If the sole purpose of the act be the protection of the public that certainly cannot constitute a sound reason for affording a private remedy. Fraud upon the public cannot be the ground of private action or suit. *Leather Cloth Co. v. American Leather Cloth Co.*, 4 DeG. J & S. 137, 141, aff. in 11 H. L. Cas. 523; *Webster v. Webster*, 3 Swans. 490, note; *Schneider v. Williams*, 44 N. J. Eq., 391. But whatever difference of opinion may have existed on this subject we think the Trade Mark Acts operate and are intended to

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operate for the protection of the business of the owner of the trade-mark and also for the protection of the public against imposition and fraud. And in order that this intent of the Acts may be given its fullest effect we think the plaintiff herein is entitled to the injunction which he seeks. He is the manufacturer of what is described as a delicate, volatile product which it is shown can be ruined by improper handling and bottling, and can be easily adulterated. To permit the plaintiff's name and trade-mark to be used on other than his original packages should be forbidden as the value of his name and trade-mark would be endangered through the deterioration of his product due to the action of unauthorized and unsupervised persons in changing the perfumes from the receptacles in which they were originally placed into others which may be wholly unfit even though the perfumes remain unadulterated.

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Before concluding this opinion we deem it proper to refer to another phase of this case. The complaint alleges as an additional ground of jurisdiction the violation by the defendant of a Statute of the State of New York. And it appears that Section 2354 of the Penal Law of New York subsection 6 contains a provision upon which the plaintiff relies. It is to be found in the margin. *1*

Section 2354 of the Penal Law of the State of New York, subsection 6, states that a person commits a misdemeanor who: "Knowingly sells, offers or exposes for sale, any goods which are

represented in any manner, by word or deed, to be the manufacture, packing, bottling, boxing or product of any person, firm or corporation, other than himself, unless such goods are contained in the original package, box or bottle and under the labels, marks or names placed thereon by the manufacturer who is entitled to use such marks, names, brands, or trade marks."

The Section referred to was before the New York Court of Appeals in *People v. Luhrs*, 195 N. Y. 377. That court declared that the intention of the legislature in enacting the Statute was "to thoroughly protect both the public and the owner from the furtive use of trade-marks in any way," and it held that the Statute prohibited the sale of goods represented to have been made by the owner of a trade-mark, except as contained in the original package and as put up by him under his label. It said that the protection extends "to the bottling of a liquid, for instance, as well as the making thereof," and that "The trade-mark and label guarantees that the whisky in the bottle has not only been manufactured by the Wilson Distilling Company but that the contents of the bottle have been placed in that identical bottle by the said company." The court declared that "in buying a bottle with a trade mark thereon the purchaser does not acquire the right to use the trade mark except to sell the original contents of the bottle. He cannot lawfully use the trade mark to sell whisky of any kind bottled by himself. He cannot say as he does in effect

when he sells from a bottle bearing the Wilson label, "This is Wilson whisky, put in this bottle by the Wilson Company." He can still use the whisky or sell it, but he cannot sell it as Wilson whisky placed by the Wilson Company in the bottle exhibited at the time of the sale, for that would open the door to a kind of fraud that is easy to practice, difficult to detect and dangerous in result. *To so hold would tend to undermine the law of trade marks, for the original package might be filled repeatedly with spurious goods, with no probable chance to discover the fraud.*"

It was claimed in that case that as there was no proof that the article sold was not Wilson whisky the crime was not proved. But both the Appellate Division and the Court of Appeals thought it immaterial whether the rebottled whisky was Wilson whisky or not. In the opinion in the court below Judge Clarke said that "In this age of bottled and canned goods the assurance to the public that the goods asked for and received have been packed by the manufacturer is as important as that they have been manufactured by him. This assurance is given by the marks and labels." If the intention was to protect the right of the trade-mark owner as well as the public, as the New York courts have said, then the Statute must have created by implication at least the right which it seeks to protect—if that right was previously non-existent, and the right so created is plainly a property right.

To entitle a plaintiff to an injunction he must show the existence of a civil right and that the acts of which he complains and which he seeks to restrain constitute a violation thereof. In law one has a "right" to whatever he may lawfully claim. That with which the law invests a person and in respect to which, for his benefit another is required by the Law to abstain from doing is in legal contemplation a right in the person so invested. And as was said in *McDonald v. Bayard Savings Bank*, 123 Iowa 413, "Right" and obligation are correlative terms. And the provision of the New York Statute above referred to in imposing an obligation to abstain from rebottling another's product and using thereon the original trade-mark impliedly creates in the owner of the trade-mark, for whose benefit in part we have seen the Statute enacted, a right which the latter is entitled to protect by means of such remedies as the law affords.

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It may be said that this is a criminal statute and that the jurisdiction of equity does not enjoin the commission of crimes. If so the answer is found in the language of the Supreme Court in *In re Debs*, 158 U. S. 564, 593, where in replying to the objection that it is outside the jurisdiction of equity to enjoin the commission of crimes that court replied: "This, as a general proposition, is unquestioned. A chancellor has no criminal jurisdiction. Something more than the threatened commission of an offense against the laws of the land is necessary to call into exercise the injunctive powers of the court. There must be

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Opinion.

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some interferences, actual or threatened, with property or rights of a pecuniary nature, but when such interferences appear the jurisdiction of a court of equity arises, and is not destroyed by the fact that they are accompanied by or are themselves violations of the criminal law." In the instant case the injunction should issue not because the defendant is committing a criminal offense under the New York law but because what it is doing is an actual interference "with property or rights of a pecuniary nature" which are recognized and protected under the law of New York. In the instant case the acts of the defendant were committed in the State of New York and the defendant is a New York corporation.

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In *B. V. D. Co. v. Kommel*, the District Court for the Southern District of New York issued an injunction restraining the defendants from selling the plaintiff's goods except in original packages without obliterating identifying trademarks. The injunction was not issued upon general equitable principles but on the ground that the defendants had violated the Statute of the State of New York. The case was appealed to this Court where it was reversed, not because of error in holding that an injunction could issue because of a violation of the New York Statute, but because this court thought that the acts complained of were insufficiently proven. The case in this court is reported in 200 Fed. 559.

If the defendant cannot under the New York Statute sell the plaintiff's goods represented to

have been made by the owner of a trade-mark except as contained in the original package and as put up under his label (the original manufacturer's label) then the defendant in what it did clearly violated the Statute and was entitled to an injunction.

This brings up the question whether the form of the order which the court below has entered sufficiently recognizes and protects the plaintiff's rights under the New York Statute. That order permits the defendant, without the plaintiff's consent, to rebottle the plaintiff's perfumes and sell them under a label which it puts upon them stating "that *the contents are Coty's* independently rebottled in New York and enables defendant to sell the compact face powder under a label which he places upon the container stating that the powder was independently compounded by it *from Coty's* loose powder and its own binder giving the percent. of each. But this as it seems to us enables the defendant to sell as Coty's a product without the assurance which comes from Coty's own marks and labels. It does not afford either to Coty or to the public the protection which the Statute requires namely, the assurance of Coty himself.

If the plaintiff's right to an injunction restraining the defendant from selling the plaintiff's products as Coty's except in the identical containers or packages in which the plaintiff placed them depends exclusively upon the New York Statute, the injunction cannot be unlimited in its terms but must be restricted to acts done by the defendant within the State of New York. A right called into existence by a State Statute cannot

be violated by acts wholly done outside the State which passed the law. *Rehbein v. Weaver*, 133 Fed. 607. But for reasons stated in the earlier part of this opinion we do not think the plaintiff's right rests alone upon the New York Statute, but this right rests upon the general principles of the law of trade-marks. The Trade Mark Act should be so construed as to afford full and not partial protection to the business of the owner of the trade-mark and should be conducive to fair and honest business methods.

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That there may be no misapprehension as to this decision we think it desirable to say that we have not overlooked the fact that it is not charged in the complaint nor stated in any of the affidavits presented that the defendant in doing the acts complained of in any way lacked or failed to exercise in the rebottling of the plaintiff's perfume the proper skill necessary to preserve the perfect quality of the plaintiff's product. If we assume that the defendant handles the plaintiff's product without in any way injuring its qualities, we think the injunction should issue on the ground that the defendant has no right to use the plaintiff's name without his consent on the particular products which the defendant rebottles or repacks, because the defendant has no right to put upon the plaintiff the burden of safeguarding the quality of his products, which such a situation would impose upon the plaintiff compelling him to keep a constant watch upon the defendant's conduct and the conduct of others who might choose to act in a similar way.

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Opinion.

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The defendant insists that the question of the issuance of the injunction should be left for final hearing and not determined upon a motion for a preliminary injunction. But the questions which this case raises is simply one of law. There are no controverted questions of fact and therefore the issue may be determined upon preliminary injunction.

The order appealed from must be modified and the injunction granted as prayed in the complaint.

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Petition for Rehearing.

IN THE
UNITED STATES CIRCUIT COURT OF
APPEALS,

FOR THE SECOND CIRCUIT.

FRANCOIS JOSEPH DE SPOTURNO
COTY,
Plaintiff-Appellant,

against

PRESTONETTES, INC.,
Defendant-Appellee.

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*To the Honorable Judges of the United States
Circuit Court of Appeals for the Second
Circuit:*

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And now comes Prestonettes, Inc., the defendant in the above entitled action, by its counsel, I. Maurice Wormser and Isaac Reiss, and feeling itself aggrieved by a judgment of this Court, entered against it and in favor of plaintiff, granting the injunctive relief prayed for by plaintiff, now prays that a re-argument be granted it on the grounds herein stated.

It is respectfully submitted that the decision of this learned Court in the matter herein is based upon an inadvertent misconception of the true facts of this case, and but for such inadvertent misconception of fact judgment would have been entered for defendant.

As was pointed out in defendant's brief, at pages 4 and 5, the argument and case presented

Petition for Rehearing.

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by plaintiff was that unless proper skill and care were used in the handling of plaintiff's products, the quality of plaintiffs' products would be injured, and as a result plaintiff would suffer irreparable damage. With this defendant agrees.

But, as stated at pages 4 and 5 of defendant's brief, it was nowhere stated in the affidavits presented on behalf of plaintiff, nor did plaintiff even allege in his brief or complaint, that defendant in any way lacked the proper skill necessary to preserve the perfect quality of plaintiff's products. Plaintiff did not state or allege, much less prove, that defendant was guilty of any of the practices which plaintiff alleged would cause injury to him.

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The case, as was pointed out in defendant's main brief at page 5, and as was urged on oral argument, must be considered as if defendant, as in fact it does, uses all the skill and care necessary for the proper handling of plaintiff's products, and *preserves the pure, unadulterated quality of these products.*

That the rebottling of plaintiff's perfume is possible without any injury to its quality is shown by plaintiff himself. He states, at page 5 of his main brief, that one concern has been given permission to rebottle his perfumes in small vials, upon sufficient assurance that approved rebottling methods would be used. This shows that rebottling of plaintiff's perfume is possible without injury to its qualities and, since nothing is stated or alleged to the contrary, it must be taken *as fact* that defendant handles plaintiff's products *without in any way injuring their qualities.*

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That this Court did not so consider the facts in making its decision is indicated by the learned opinion of Judge Rogers.

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Petition for Rehearing.

At page 18 of the opinion, the learned Judge states:

"In the case now before the Court the plaintiff's product was a delicate volatile product intended for personal use and was one that could be easily ruined by improper handling and bottling, and the powder preparations were such that their quality could be easily impaired by packing them in improper containers."

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This is true. *Defendant, however, in fact uses proper methods in dealing with plaintiff's products.* The question, therefore, of the effect on plaintiff's products of improper handling methods, should not correctly be considered in the decision of this case.

At page 21, the learned Judge states:

"When a manufacturer sells an article identified by his name he gives no implied permission to anybody to do anything to that article which may change or injure its quality and still identify it by his name, and any such acts is a trespass which alone is a sufficient foundation for an injunction."

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If defendant in any way changed the quality of plaintiffs' products, we agree that an injunction should properly be issued against it. But on the facts of this case defendant, in handling plaintiff's products, preserves their pure quality, and therefore the reasoning which would entitle plaintiff to an injunction against one who was guilty of improper handling methods is not applicable to defendant.

Petition for Rehearing.

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At page 22, the learned Court states:

"The proper bottling of a perfume is essential to its retaining its quality. If through carelessness or ignorance, or economy, the rebottling is not according to the plaintiff's standards, or some unscrupulous person should adulterate the perfume irreparable injury to the reputation of the plaintiff's product would result. In the same way the value of a face powder or other toilet preparations may be seriously impaired by the use of improper containers or by using unsuitable ingredients for binders."

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With this statement we likewise agree. Defendant, however, neither adulterates plaintiff's products nor does it use any improper methods while handling them. There is, therefore, not the slightest chance of defendant inflicting irreparable injury to the reputation of plaintiff's products, which, as the statement correctly points out, would result from the use of improper methods or because of adulteration.

At page 24 the learned Judge states:

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"He is the manufacturer of what is described as a delicate, volatile product which it is shown can be ruined by improper handling and bottling, and can be easily adulterated."

And further goes on to say:

"the value of his name and trade-mark would be endangered through the deterioration of his product due to the action of unauthorized and unsupervised persons in changing the perfumes from the receptacles in which they were originally placed into others which may be wholly unfit even though the perfumes remain unadulterated."

These statements, it is submitted, indicating the basis upon which this Court's decision was made, are inapplicable to the facts of the case. Defendant, as has been pointed out, preserves the pure, unadulterated qualities of plaintiffs' product. The fact, therefore, that the adulteration or deterioration of plaintiff's products would work an irreparable injury to him, is irrelevant in the present case, since defendant, because it uses proper methods, in no way injures plaintiff's products.

It is respectfully submitted that these important portions of Judge Rogers' opinion, which we have quoted, indicate that the decision of this Court was based upon a consideration of the facts of the case which inadvertently misconstrued the practices of defendant. They indicate that the Court considered the case as if the defendant was guilty of either improper methods in handling plaintiff's products, or of adulterating plaintiff's products. This is not true. Plaintiff does not allege or establish that defendant uses any improper handling methods, and in fact, defendant

Petition for Rehearing.

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preserves the pure, unadulterated qualities of plaintiff's products.

It is therefore respectfully submitted that the case should properly be considered upon its true facts, namely, that defendant in no way injures the qualities of plaintiff's products and, therefore, in no way is inflicting any injury to, or violating any rights of, plaintiff.

The petitioner therefore respectfully prays that it be granted a re-argument of this case, so that this Court may consider it upon its actual facts.

Respectfully submitted,

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I. MAURICE WORMSER,
ISAAC REISS,
Of Counsel for Defendant.

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Order for Mandate.

At a Stated Term of the United States Circuit Court of Appeals, in and for the Second Circuit, held at the Court Rooms in the Post Office Building in the City of New York, on the 8th day of November one thousand nine hundred and twenty two.

Present :

Hon. HENRY WADE ROGERS,

Hon. MARTIN T. MANTON,

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Hon. JULIS M. MAYER,

Circuit Judges.

FRANCOIS JOSEPH DE SPOTURNO

COTY,

Plaintiff-Appellant,

v.

PRESTONETTES, INC.,

Defendant-Appellee.

Appeal from the District Court of the United States for the Southern District of New York.

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This cause came on to be heard on the transcript of record from the District Court of the United States, for the Southern District of New York, and was argued by counsel.

ON CONSIDERATION WHEREOF, it is now hereby ordered, adjudged and decreed that the order of said District Court be and it hereby is modified and the court below directed to grant an injunction as prayed in the complaint, with costs of the appeal to the appellant.

It is further ordered that a Mandate issue to the said District Court in accordance with this decree.

H. W. R.

M. T. M.

Order Denying Petition.

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At a Stated Term of the United States
Circuit Court of Appeals, in and for
the Second Circuit, held at the Court
Rooms in the Post Office Building
in the City of New York, on the
16th day of November one thousand
nine hundred and twenty two.

Present :

Hon. HENRY WADE ROGERS,

Hon. MARTIN T. MANTON,

Hon. JULIUS M. MAYER,

Circuit Judges.

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FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff-Appellant,

v.

PRESTONETTES, INC.,

Defendant-Appellee.

A petition for a rehearing having been filed
herein by counsel for the appellee;

Upon consideration thereof, it is

Ordered that said petition be and hereby is
denied.

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H. W. R.

M. T. M.

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Order on Mandate.

At a Stated Term of the United States
District Court held in and for the
Southern District of New York, in
the Post Office Building, Borough of
Manhattan, City and State of New
York, this day of December,
1922.

Present :

Hon. JULIAN W. MACK,

Circuit Judge.

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FRANCOIS JOSEPH DE SPOTURNO
COTY,

Plaintiff,

against

PRESTONETTES, INC.,
Defendant.

E. 23-261.

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An appeal having been taken into the Circuit
Court of Appeals for the Second Judicial Circuit
from the order herein granting a preliminary in-
junction, and said appeal having been determined
and the mandate of the said Court having been
duly issued unto this Court,

NOW THEN, on motion of the solicitors for the
plaintiff, It Is Ordered

1. That the said mandate be herewith filed in
this Court and that all further proceedings be
had in conformity therewith.

2. That the restraining part of the order
granting a preliminary injunction herein be modi-
fied to read as follows:

Order on Mandate.

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a. That the defendant, its agents, employees and all persons acting through or under it or in privity with it be and they are hereby restrained until further order of this Court from making or causing to be made or selling or causing to be sold or offering for sale or causing to be offered for sale, any perfumes, toilet preparations or powders with the use of the trade mark "Coty" or the trade mark "L'Origan" save the original packages purchased from plaintiff and designated by him with the said trade marks and from infringing upon the said trade marks in any manner whatsoever.

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3. That the said modification above provided for shall go into full force and effect on and after November 25, 1922, and that service of a copy of this order upon the solicitor for defendant be sufficient notice of this order and of the modification of the said injunction above provided for.

J. W. MACK,
U. S. D. J.

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Clerk's Certificate.

UNITED STATES OF AMERICA, }
 SOUTHERN DISTRICT OF NEW YORK, } ss. :

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I, WILLIAM PARKIN, Clerk of the United States Circuit Court of Appeals for the Second Circuit, do hereby certify that the foregoing pages, numbered from 1 to 116 inclusive, contain a true and complete transcript of the record and proceedings had in said Court, in the case of Francois Joseph De Spoturno Coty, plaintiff-appellant, against Prestonnettes, Inc., defendant-appellee, as the same remain of record and on file in my office.

IN TESTIMONY WHEREOF, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern District of New York, in the Second Circuit, this 27th day of December in the year of our Lord One Thousand Nine Hundred and twenty-two and of the Independence of the said United States the One Hundred and forty-seventh.

WM. PARKIN,
 Clerk.

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WRIT OF CERTIORARI AND RETURN—Filed Feb. 3, 1923

[UNITED STATES OF AMERICA, *ss.*:

[Seal of the Supreme Court of the United States.]

The President of the United States of America to the Honorable the Judges of the United States Circuit Court of Appeals for the Second Circuit, Greeting:

Being informed that there is now pending before you a suit in which Francois Joseph de Spoturno Coty is appellant, and Prestonettes, Inc., is appellee, which suit was removed into the said Circuit Court of Appeals by virtue of an appeal from the District Court of the United States for the Southern District of New York, and we, being willing for certain reasons that the said cause and the record and proceedings therein should be certified by the said Circuit Court of Appeals and removed into the Supreme Court of the United States, do hereby command you that you send without delay to the said Supreme Court, as aforesaid, the record and proceedings in said cause, so that the said Supreme Court may act thereon as of right and according to law ought to be done.

Witness the Honorable William H. Taft, Chief Justice of the United States, the twenty-fifth day of January, in the year of our Lord one thousand nine hundred and twenty-three.

Wm. R. Stansbury, Clerk of the Supreme Court of the United States.

[Endorsed:] File No. 29,343. Supreme Court of the United States, October Term, 1922. No. 793. Prestonettes, Inc., vs. Francois Joseph Spoturno Coty. Writ of certiorari. United States Circuit Court of Appeals, Second Circuit. Filed Jan. 31, 1923. William Parkin, Clerk.

IN THE SUPREME COURT OF THE UNITED STATES, OCTOBER TERM,
1922

No. 793

PRESTONETTES (INC.), Petitioner,

v.

FRANCOIS JOSEPH SPOTURNO COTY, Respondent.

STIPULATION AS TO RETURN TO WRIT OF CERTIORARI

It is hereby stipulated by counsel for the parties to the above entitled cause that the certified copy of the transcript of the record now on file in the Supreme Court of the United States shall constitute

the return of the Clerk of the United States Circuit Court of Appeals for the Second Circuit to the writ of certiorari granted therein.

Charles H. Tuttle, William J. Hughes, Counsel for Petitioner
Hugo Mock, Asher Blum, Counsel for Respondent
January 27, 1923.

To the Honorable the Supreme Court of the United States, Greeting

The record and all proceedings whereof mention is within margin having lately been certified and filed in the office of the clerk of the Supreme Court of the United States, a copy of the stipulation of counsel is hereto annexed and certified as the return to the writ of certiorari issued herein.

Dated, New York, February 1st, 1923.

Wm. Parkin, Clerk of the United States Circuit Court of Appeals for the Second Circuit. [Seal of the United States Circuit Court of Appeals, Second Circuit.]

[File endorsement omitted.]

[File endorsement omitted.]

STIPULATION AND ADDITION TO RECORD—Filed Jan. 3, 1924

It is hereby stipulated by and between the solicitors for the respective parties in the above-entitled action, solely for the purpose of correcting the record, that the portion of the opinion of the Circuit Court of Appeals printed in the record herein, at folios 341-2, was rendered by that Court after the petition for re-hearing was submitted. This paragraph, printed at fols. 341-2, as follows:

"That there may be no misapprehension as to this decision we think it desirable to say that we have not overlooked the fact that it is not charged in the complaint nor stated in any of the affidavits presented that the defendant in doing the acts complained of in any way lacked or failed to exercise in the rebottling of the plaintiff's perfume the proper skill necessary to preserve the perfect quality of the plaintiff's product. If we assume that the defendant handles the plaintiff's product without in any way injuring its qualities, we think the injunction should issue on the ground that the defendant has no right to use the plaintiff's name without his consent on the particular products which the defendant rebottles or repacks, because the defendant has no right to put upon the plaintiff the burden of safeguarding the quality of his products, which such a situation would impose upon the plaintiff compelling him to keep a constant watch upon the defendant's conduct and the conduct of others who might choose to act in a similar way."

was not a portion of the opinion as originally rendered by the Circuit Court of Appeals before the petition for a re-hearing.

Dated, New York, December 27th, 1923.

Isaac H. Reiss, C. H. J., Solicitor for Petitioner. Hugo Mock,
Asher Blum, Solicitors for Coty.

[Endorsed:] 197—29343. No. 197. Supreme Court of the United States, October Term, 1923. Prestonettes, Inc., against Francois Joseph De Spoturno Coty. (Original.) Stipulation correcting record. Davies, Auerbach & Cornell, Attorneys for ———, Mutual Life Building, 34 Nassau Street, New York City.

No. ~~100~~ 197

FILED

JAN 12 1933

WM. R. STAM

IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1932

PRESTONETTES, INC.

against

Petitioner

FRANCOIS JOSEPH DE SPOTURNO COTY

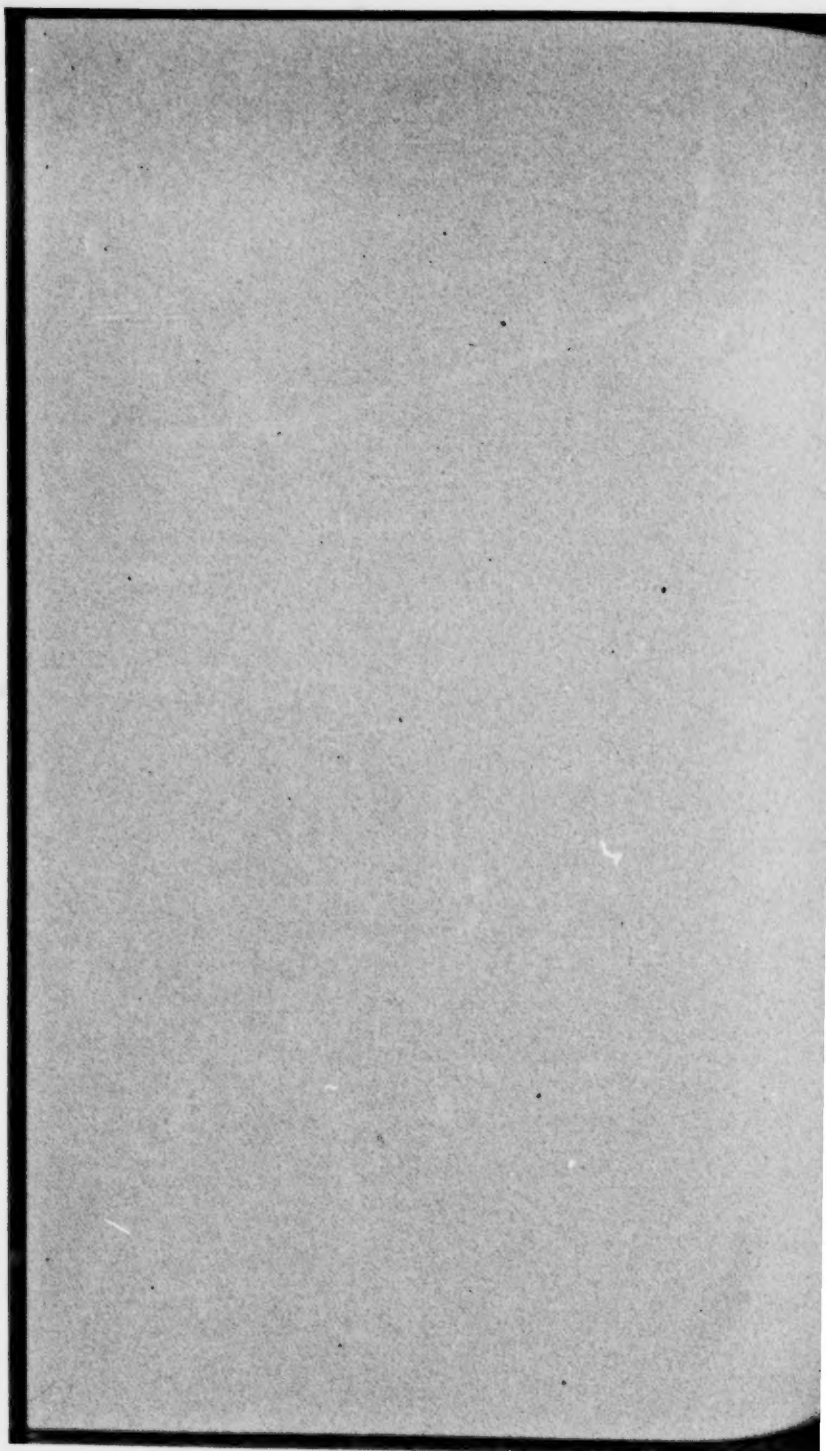
Respondent

Petition and Brief for a Writ of Certiorari to the United
States Circuit Court of Appeals for the Second Circuit

CHARLES H. TUTTLE
WILLIAM J. HUGHES

Counsel for Petitioner

Appeal Printing Company, 23 Thomas Street, New York City



Supreme Court of the United States

OCTOBER TERM, 1922.

PRESTONETTES, INC.,
Petitioner,

v.

FRANCOIS JOSEPH DE SPOTURNO
COTY,
Respondent.

Notice of Petition
for Certiorari.

To

MOCK & BLUM, Esqs.,

Solicitors for Respondent,

Francois Joseph de Spoturno Coty.

PLEASE TAKE NOTICE that upon a certified copy of the transcript of the record herein and upon the annexed petition and brief thereto attached, the undersigned on behalf of the above named petitioner will present the annexed petition for a writ of certiorari to the Supreme Court of the United States, at the Capitol, in the City of Washington, D. C., on Monday, January 15, 1923, at the opening of court on that day, or as soon thereafter as counsel can be heard, and will ask for the relief

prayed therein and for such other and further relief in the premises as may be just.

Dated, New York, January 10, 1923.

REISS & REISS, Esqs.,
Solicitors for Petitioner,
220 Broadway,
New York City.

CHARLES H. TUTTLE,
Counsel for Petitioner,
34 Nassau Street,
New York City.

Received a copy of the foregoing notice together with the petition for writ of certiorari and brief referred to therein, this 10 day of January, 1923.

Mock and Blum...
Counsel for Respondent.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1922.

PRESTONETTES, INC.,

Petitioner,

v.

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Respondent.

Petition for Writ
of Certiorari
to the United
States Circuit
Court of Ap-
peals for the
Second District.

*To the Honorable the Chief Justice and the Asso-
ciate Justices of the Supreme Court of the
United States.*

Your petitioner, Prestonettes, Inc., respectfully submits its petition for a writ of certiorari to review the decree of the United States Circuit Court of Appeals for the Second Circuit, in the above-entitled cause:

The Circuit Court of Appeals has reversed the District Court (Hon. Augustus N. Hand) upon grounds which go to the merits in a controversy wherein there is no dispute of fact. It has also overruled a like decision by Judge Knox in *Coty v. Ivory Novelties Trading Co., Inc.*, decided July 21, 1922, and not yet reported.

The interpretation of the Trade-Mark Act adopted by the Court below is unique and, we submit, revolutionary, involving far-reaching consequences in the commercial world. It contradicts numerous well-settled precedents in District Courts and Circuit Courts of Appeals and in State Courts; and it departs from fundamental principles repeatedly announced by this Court.

As shown in Subdivision IV hereof, certain other aspects of the important questions here presented are pending before this Court as a result of its issue of a writ of certiorari to review an opposite decision.

I.

The Exceptionally Far-reaching Questions Presented.

The many questions presented are, as the Court below has stated (fol. 343), "simply of law." They are all of exceptionally far-reaching importance commercially; and may be thus stated:

(1) Whether the Trade-Mark Act is an Anti-Rebottling and Anti-Repacking Statute.

(2) Whether there can be any infringement of a trade-mark or any unfair competition unless there is a sale of the goods of one manufacturer or vendor as those of another.

(3) Whether there can be any infringement of a trade-mark or any unfair competition unless deception of the public is attempted or results.

(4) Whether the protection given by the Trade-Mark Act is infringed, in the case of merchandise manufactured abroad, where the retailer in this country markets them in smaller quantities suited to the retail trade, and by clear labels disclaims connection with the foreign manufacturer and truthfully resells the genuine, undeteriorated merchandise, not by the trade-mark, as such, but by the name under which the foreign manufacturer puts the merchandise in circulation.

(5) Whether the Trade-Mark Act or other law

prevents a retailer, who has compounded a face "compact" out of a face powder manufactured abroad, from selling the compact under labels truthfully ascribing the compounding to himself, truthfully disclaiming connection with the foreign manufacturer, and truthfully describing the ingredients and the formula of the compound.

(6) Whether the construction given to the trade-mark laws by the Court below lawfully creates for the wholesaler a reserved right of property in the goods, notwithstanding an absolute and unrestricted sale thereof.

(7) Whether the construction adopted below lawfully empowers a foreign wholesaler who has sold to the trade without restriction, subsequently to dictate which retailers shall have the right to resell the merchandise under the name they bought it.

(8) Whether the Court below was right in holding that where the genuine goods were rebottled and sold by the retailer without adulteration or deterioration, the mere possibility of adulteration in future rebottling constitutes any rebottling and sale a present, actionable infringement.

(9) Whether a generic word common to both the English and the French languages and to the trade, as descriptive of a perfume and of the aromatic herb from which the perfume is derived, is susceptible of exclusive appropriation under the Trade-Mark Act, merely because the French particle of speech "le" is prefixed.

(10) Whether, where a manufacturer names his merchandise by the name of their genus, but registers as a trade-mark a fanciful word of some-

what similar sound, written in a grotesque and very distinctive style, he can claim that a retailer infringes, if the retailer in reselling in smaller quantities does not use the trade-mark as registered, but truthfully describes the goods by the aforesaid generic name.

II.

Nature of the Suit.

No question of fact presented.

The action is for an injunction, and an absolute injunction as prayed for has been granted by the Circuit Court of Appeals, which reversed the District Court on the vital question of law involved. This decision was made as a matter of law, and the facts were assumed to be as stated by the defendant. To quote the opinion below (fol. 343) :

"The question which this case raises is simply one of law. There are no controverted questions of fact and therefore the issue may be determined upon preliminary injunction."

This finding but adopted the argument in plaintiff's brief in the court below (p. 35) :

"The only issue herein is an issue of law which has been specifically treated by statute and by very recent authority, and the plaintiff is as much entitled to protection now as at final hearing."

Jurisdiction rests on the Trade Mark Act.

Jurisdiction to make the order below must be and was rested on the Trade Mark Act, because the order was not limited in its scope to acts to be done within the State of New York. In the opin-

ion there is reference to subdivision 6 of Section 2354 of the Penal Law of New York; but the opinion itself concedes that under that section "the injunction cannot be unlimited (geographically) in its terms," because "a right called into existence by a State statute cannot be violated by acts wholly done outside the State which passed the law" (fols. 339, 340).

The facts of the controversy.

The plaintiff is a citizen of France and a wholesale manufacturer and exporter of perfumes and toilet articles in general. He has registered in the United States Patent Office as his trade-mark the wholly fanciful word "Lorigan," printed in grotesque letters fancifully arranged and intermingled (Rec., p. 21). He has also registered his own French proper name "Coty," distinctively printed (Rec., p. 21), notwithstanding that there is in Paris another perfumer by the name of "Coty" (fol. 190).

The plaintiff exports to this country the perfume known immemorially in the English and French languages and in the trade as "Origan" (fols. 175 *et seq.*; 182 *et seq.*). It is derived from an aromatic herb (akin to wild thyme) known immemorially in both the English and French languages as "Origan" (fols. 175-186). According to the bill of complaint, the plaintiff has undertaken to name his perfume, so derived, by this ancient, generic name "Origan." He prefixes the French particle of speech "le"; and thus calls his perfume "L'Origan" (fols. 11-20).

The plaintiff does not call his perfume "Lorigan"—the fanciful name which he has registered (Rec., p. 21). The complaint does not mention that fanciful word. Undoubtedly, the plaintiff regis-

tered the fanciful rather than the generic word, because he appreciated that the generic word was not capable of registration or exclusive appropriation. To insure its registration, he filed a drawing of this fanciful word printed in a remarkably grotesque style (Rec., p. 21).

The plaintiff sells this perfume in large-size, glass bottles (fols. 138, 121), which are too large and too expensive for resale at popular prices or for toilet use by other than wealthy persons. As stated without contradiction in one of the affidavits (fol. 171):

"It is and it has been the custom of the plaintiff to sell his perfume, called by him 'L'Origan' in large eight-ounce bottles, a specimen of which will be produced on the hearing herein."

As a result, it has been the custom of many dealers for years past to buy these eight-ounce bottles of the plaintiff's product, and to place the genuine contents in small, fancy bottles for sale at popular prices in the retail trade (fols. 172-4).

The plaintiff also has been engaged in selling in this country a face-powder in cartons or boxes (fol. 8). This powder the defendant has bought in plaintiff's packages, and from the genuine ingredients, with the aid of a binder, has made a so-called "compact," which is a more convenient form for the use of the face powder and is sold at retail in small, fancy containers, attractive for a lady's toilet table (fols. 188 *et seq.*).

The plaintiff's sales are made without any express restriction or reservation of any kind.

The defendant has not reproduced the plaintiff's labels or style of package or bottle (fols. 174-

5, 185, 188, 193). This may readily be illustrated by the fact that the label on the plaintiff's powder package is altogether different, reading (fol. 185):

"Cette Boite Renferme de la Poudre de Riz de Couleur Blanche Parfumes a L'Origan de Coty."

Nor has the defendant reproduced or used at all the plaintiff's artificial, registered trade-mark "Lorigan." It has, however, by its labels referred to the perfume, as is usual in the perfumery trade, by its French name "L'Origan"; it has justly given the credit for its manufacture to the plaintiff Coty; and it has truthfully stated its own independence of Coty and its own responsibility for the rebottling thereof.

The defendant has a well established and growing business in good standing and reputation (fol. 193).

The action of the District Court.

The District Court required that upon each bottle of rebottled perfume sold by the defendant there be no reference to Coty or L'Origan except in the following label in plain type to be securely affixed to the bottle (fol. 218):

"Prestonettes, Inc., not connected with Coty, states that the contents are Coty's—(Giving the name of the article) independently rebottled in New York."

So, likewise, as to the compacted powder, the District Court forbade any reference to Coty or L'Origan except in the following label (fol. 219):

"Prestonettes, Inc., not connected with Coty, states that the compact of face powder herein was independently compounded by it from

Coty's—(Giving the name) loose powder and
its own binder. Loose powder per cent.,
Binder per cent."

The District Court also imposed the further and very important restriction *in the design* of these labels (fols. 218, 220) :

"every word of said statement to be in letters of the same size, color, type and general distinctiveness."

These restrictions were entirely satisfactory to the defendant, which had no desire to deceive the public and proceeded to retail its wares with labels as thus drawn by the District Court itself.

The plaintiff, however, insisted on absolute injunction and appealed.

Consequently, before the Circuit Court of Appeals those portions of the plaintiff's complaint and of its affidavits, which alleged that the earlier practice of the defendant might possibly tend to a misunderstanding by the public, *were no longer relevant*. The defendant was not selling by the plaintiff's trade-mark as registered. It was selling by description—a description accurately stating whose and what goods were being sold and what the defendant's part in the packing or manufacture thereof had been.

Under the labels as composed and designed by the District Court, the defendant does not attempt to sell the merchandise under the sign manual of Coty or as packed by Coty, but rather specifically states that the liquid is its own independent bottling and that the compact is its own independent manufacture.

Thus, the issue does not involve any adulteration or alteration, any deception of the public, or any use of the plaintiff's label or design.

The action of the Circuit Court of Appeals.

Nevertheless, the Circuit Court of Appeals erroneously (as we claim) treated these labels composed and designed by the District Court as if they constituted a selling merely by the plaintiff's trade-mark as registered; and stated the two questions of law before it to be as follows (fols. 280-2) :

"First. Can the name and trade-mark of a manufacturer of a delicate, volatile product, like a perfume, be used without his consent, to sell his rebottled perfume, provided the one who thus rebottles and sells places upon each bottle sold a label bearing his own name and announcing that he is not connected with the original manufacturer of the product, but that the contents are those of the original manufacturer but independently rebottled by the one whose name the label bears.

"Second. Can the name and trade-mark of a manufacturer of a toilet preparation containing a delicate and volatile perfume, like a face powder compact, be used without his consent to sell an independently manufactured compact provided the independent manufacturer puts upon each container sold a label containing his own name and stating that he is not connected with the original manufacturer and that his compact was independently compounded by him from the compound of the original manufacturer, together with his own binder and stating the percentage of each."

The Court of Appeals thereupon answered this question in the negative and held that the plaintiff "is entitled to an absolute injunction" (fol. 293).

The gravamen of its decision was thus defined by the Court of Appeals (fol. 341).

"That there may be no misapprehension as to this decision we think it desirable to say that *we have not overlooked the fact that it is not charged in the complaint nor stated in any of the affidavits presented that the defendant in doing the acts complained of in any way lacked or failed to exercise in the rebottling of the plaintiff's perfume the proper skill necessary to preserve the perfect quality of the plaintiff's product. If we assume that the defendant handles the plaintiff's product without in any way injuring its qualities,* we think the injunction should issue on the ground that the defendant has no right to use the plaintiff's name without his consent on the particular products which the defendant rebottles or repacks, because the defendant has no right to put upon the plaintiff the burden of safeguarding the quality of his products, which such a situation would impose upon the plaintiff compelling him to keep a constant watch upon the defendant's conduct and the conduct of others who might choose to act in a similar way."

The issue simply is whether the Circuit Court of Appeals is right in the foregoing novel and vastly important formulation of the law.

III.

Grave Reasons of Public Importance for Granting the Writ.

(1) It is a matter of great public importance that the trade-mark laws should not be so construed as to prevent the retailer from reselling in small quantities and at popular prices, the genuine article under the name under which he bought it. Heretofore the trade-mark laws have not been construed as a restraint on the freedom of fair trade.

(2) It is a matter of great public importance that merchants should know whether the trade-mark laws do more than to forbid the selling of the goods of one manufacturer or vendor as those of another. Until the decision below, such has universally been held to be the essence of the wrong.

(3) It is a matter of great public importance that the trade-mark laws should not be so construed as to prevent the retailer from truthfully advising the public as to the identity of the goods, of their manufacturer and of the formula of manufacture. Heretofore equity has not enjoined against telling the truth.

(4) It is a matter of great public importance that the trade-mark laws should not be so construed as to confer a new and reserved property right upon the owner of a trade-mark, in such wise as to enable a wholesaler to control the remarketing of his product at retail after he has sold it unconditionally. The decision below oversteps the clear line of distinction between trade-marks on the one hand and patents and copyrights on the other.

(5) It is of great public importance that the trademark laws shall not be so construed as to make presently actionable as an infringement the resale of genuine, undeteriorated goods merely because of a future possibility of adulteration. The decision below casts the defendant in judgment for a hypothetical wrong.

(6) It is of great public importance that merchants should know whether the Trade-mark Act is an Anti-Rebottling and Anti-Repacking Statute. The decision below is the first to so hold.

(7) It is of great public importance that the trade-mark laws should not be so construed as to

render subject to exclusive appropriation a generic, descriptive word common to both the English and French languages, merely by prefixing the French particle of speech "le." The decision below opens the way to a monopolization of the common property in the language.

(8) It is a matter of great public importance that where, in order to avoid the non-registerability under the Trade-mark Act of a generic, descriptive word, a manufacturer has registered a fanciful word written in very distinctive style, he shall not thereafter be permitted to treat the actual generic word as the trade-mark. The decision below opens the way to wholesale overreaching of the Trade-mark Act; and extends the protection of the Act to a word not registerable thereunder.

The importance of these issues is obvious and was admitted in the plaintiff's brief below (p. 11):

"The issues herein are fundamental and far transcend the particular consideration herein involved."

IV.

By granting this writ this Court will have before it every phase of vital questions which, in kindred aspects, are now pending before it.

This Court already has before it certain phases of the whole subject of the use of trade-marks or trade-names on resold genuine goods which, without any actual deterioration, have been made the subject of repacking or preparation.

In *A. Bourjois & Co., Inc. v. Katzel*, 275 Fed., 539, this Court has recently granted a writ of certiorari. That case is very similar to the present, but the result was diametrically opposite. There the

plaintiff had bought from the foreign manufacturer the right to use his trade-mark in America and had duly registered it. The plaintiff thereupon bought from the foreign manufacturer and imported in bulk face powder which it mixed (as it claimed) with certain ingredients of its own, and thereupon sold under the aforesaid trade-mark but in its own packages. The defendant also bought face powder of the same grade and quality from the same foreign manufacturer, imported it into this country and sold it here under the trade-mark of the foreign manufacturer, to wit, the trade-mark which the plaintiff had purchased. The plaintiff claimed infringement. By a divided court the Circuit Court of Appeals reversed the temporary injunction granted by the District Court, and thus stated the point of its decision:

"The question is whether the defendant has not the right to sell this article under the trade-marks which truly indicate its origin. We think she has. The question has been decided in three cases in this Circuit."

Subsequently, there came before the same Circuit Court of Appeals the case of *A. Bourjois & Co., Inc. v. Aldridge, as Collector of the Port*. There the facts were practically the same as in the foregoing *Bourjois* case, except that the action was brought under a different section of the Trade-mark Act, and the purpose was to enjoin the Collector of the Port from admitting the defendant's importation. In the District Court the motion for an injunction was denied. Upon appeal the Circuit Court of Appeals of its own motion certified to this Court the following question: "Is the sale in the United States of Wertheimer's Manon Lescaut Powders an infringement of plaintiff's registered trade-marks?"

A comparison of these two cases with the present

case shows that the Circuit Court of Appeals originally took the view that one who resells may lawfully use the seller's trade-marks provided the goods were genuine—the principle being that the purpose of a trade-mark on the merchandise is to “truly indicate its origin.” The Court, however, subsequently progressed to such a state of doubt as to certify the question to this Court, and finally, in the present case, reached an opposite view.

The foregoing *Katzel* case, as we are informed, will have been argued in this Court before this application can be presented.

If the writ be granted in the present case, motion can be made to advance the cause on the calendar of this Court and thereby speedily get the whole subject before this Court from every possible angle.

V.

The ground of the application for the writ of certiorari at this time.

The plaintiff has in effect received final judgment upon the merits as a matter of law and in advance of trial. Under these circumstances, a writ of certiorari will be allowed without waiting for a final decree, since such final decree would itself not be appealable as of right to this Court. *Hanover Star Milling Co. v. Metcalf*, 210 U. S., 403, 408 (a trade-mark case) is a complete precedent. See also *American Const. Co. v. Jacksonville Ry.*, 148 U. S., 372, 378, 384; *The Three Friends*, 166 U. S., 1, 49; *The Conqueror*, 166 U. S., 110, 113; *Denver v. N. Y. Trust Co.*, 229 U. S., 123, 133.

PRESTONETTES, INC.,
by Richmond Rochester,
President,
Petitioner.

United States of America, }
 State of New York, } ss.:
 County of New York, }

Richmond Rochester, being duly sworn, deposes and says: That he is President of Prestonettes, Inc., the petitioner in the above entitled action; that he has read the foregoing petition and knows the contents thereof; that the same is true to his own knowledge, except as to the matters therein stated to be alleged on information and belief, and as to those matters, he believes it to be true.

That the reason why this verification is not made by the petitioner is, that the petitioner is a corporation; that as to all matters not stated on deponent's knowledge, the sources of his information and the grounds of his belief are the records and papers of the petitioner under deponent's supervision and control, and the information derived from his conduct as such President, of the business of the petitioner.

RICHMOND ROCHESTER.

Sworn to before me, this }
 10 day of January, 1923, }

Frank C. Titus,
 [SEAL] Notary Public,
 New York County, No. 70.
 New York County Register's No. 4039;
 Certificate filed in Kings County, No. 37;
 Kings County Register's No. 4065;
 Commission expires March 30, 1924.

United States of America, }
 Southern District of New York, } ss. :

Isaac Reiss, being first duly sworn on oath, deposes and says: That he is the attorney for the petitioner named in the foregoing petition by him subscribed as attorney for such petitioner; that he knows the contents of such petition, and the facts therein stated are true to his knowledge.

ISAAC REISS

Subscribed and sworn to before me }
 this 10 day of January, 1923. }

Frank C. Titus,
 [SEAL] Notary Public,
 New York County, No. 70.
 New York County Register's No. 4039;
 Certificate filed in Kings County, No. 37;
 Kings County Register's No. 4065;
 Commission expires March 30, 1924.

We hereby certify that we have examined and read the foregoing petition for a writ of certiorari and that in our opinion such petition is well founded and should be granted by this honorable Court, and that said petition is not filed for delay.

Dated January 10, 1923.

CHARLES H. TUTTLE,

WILLIAM J. HUGHES,
 Of Counsel.

REISS AND REISS,
 Attorneys for Petitioners.
 CHARLES H. TUTTLE,
 WILLIAM J. HUGHES,
 Of Counsel.

PETITIONER'S BRIEF.**POINT I.**

The decision below runs contrary to all the decisions in analogous cases in the Circuit Courts of Appeal, the District Courts and the State Courts, and is contrary to the fundamental principles of interpretation repeatedly announced by this Court.

The labels in the present case, as composed and designed by the District Court, were undoubtedly modeled upon the wording proposed by Mr. Justice Molesworth in *Hennessy v. White*, 6 W. W. & A. B. Eq., 216, when he said (p. 220) :

"If persons wish to purchase Hennessy's Cognac and bottle it, and sell it as such, let them do so; but let them do it upon their own credit as the bottlers, asserting that it is Hennessy's Cognac."

These labels stated the true name of the merchandise and of the manufacturer and the true relation of the defendant to the product. They sold the compact as the defendant's, not the plaintiff's, manufacture. They were the antithesis of fraud; and the opinion below expressly eliminates any such imputation against the defendant (fols. 311-2). The plaintiff's label is in French and is altogether different (fols. 185, 188, 174-5). The defendant has not imitated the plaintiff's bottles or containers (fols. 12-3, 118, 174-5).

The labels as composed and designed by the District Court constitute a sale by description and not by trade-mark. Indeed, the plaintiff's distinctive trade-mark, "Lorigan," either in the grotesque style registered or in plain type, is not used at all.

Moreover, there is actually no adulteration or deterioration. The Court below concedes that "the defendant handles the plaintiff's product without in any way injuring its qualities" (fol. 311). The genuine perfume is resold.

Indeed, as the Court below itself pointed out (fol. 341):

"It is not charged in the complaint nor stated in any of the affidavits presented that the defendant, in doing the acts complained of, in any way lacked or failed to exercise in the rebottling of the plaintiff's perfume the proper skill necessary to preserve the perfect quality of the plaintiff's product."

I.

No Violation of the Trade-Mark Act Shown.

Under Section 16 of the Trade-Mark Act there can be no infringement, unless

(1) The mark violated is the mark "registered under this Act."

(2) The infringing mark must be affixed by the infringer to goods other than the genuine goods to which the manufacturer attaches it, *i. e.*, "to merchandise of substantially the same descriptive properties as those set forth in such registration."

II.

The Fundamental Principles, as announced by this Court, with which the decision below is in conflict.

This Court has repeatedly held in trade-mark cases that, as said in *Hanover Milling Co. v. Metcalf*, 240 U. S., 402, 412-13:

"The essence of the wrong consists in the sale of the goods of one manufacturer or vendor for those of another."

See also *Elgin National Watch Co. v. Illinois Watch Co.*, 179 U. S., 665, 674; *United Drug Co. v. Rectanus Co.*, 248 U. S., 90, 97. And as said in an oft-quoted passage as to trade-marks in *Canal Co. v. Clark*, 13 Wallace, 311, 327: "Equity will not enjoin against telling the truth."

Hence a trade-mark right is not "a right in gross or at large, like a statutory copyright or a patent for invention," and its owner may not, "like the proprietor of a patented invention, make a negative and merely prohibitive use of it as a monopoly." (*United Drug Co. case, supra.*) "Its function is simply to designate the goods as the product of a particular trader and to protect his good will against the sale of another's product as his." (*United Drug Co. case, supra.*)

Under the Trade-Mark Act (Sec. 16), there is no actionable offense unless one man's trade-mark is unlawfully reproduced on the product of another's manufacture; and "the common law of trade-marks is but a part of the broader law of unfair competition" (*Hanover Milling Co. v. Metcalf*, 240 U. S., 403, 413); as to which broader law this Court held in *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U. S., 118, 140:

"The essence of the wrong in unfair competition consists in the sale of the goods of one manufacturer or vendor for those of another, and if the defendant so conducts its business as not to palm off its goods as those of complainant, the action fails."

In *Goodyear Co. v. Goodyear Rubber Co.*, 128 U. S., 598, this Court said concerning the basis of the law of unfair competition (p. 604):

"The case at bar cannot be sustained as one to restrain unfair trade. *Relief in such cases*

is granted only where the defendant, by his marks, signs, labels, or in other ways, represents to the public that the goods sold by him are those manufactured or produced by the plaintiff, *thus palming off his goods* for those of a different manufacture, to the injury of the plaintiff. *McLean v. Fleming*, 96 U. S., 245; *Sawyer v. Horn*, 4 Hughes, 239; *Perry v. Truefitt*, 6 Beavan, 66; *Croft v. Day*, 7 Beavan, 81."

In cases of unfair competition "the deceitful representation or perfidious dealing must be made out or be clearly inferable from the circumstances." (*Laurence Mfg. Co. v. Tennessee Mfg. Co.*, 138 U. S., 537, 551.)

A similar principle has been applied by this Court to a surname registered under the Trade-mark Act. In *Thaddeus Davids Co. v. Davids*, 233 U. S., 461, this Court held (to quote the headnote):

"While a trade-mark consisting of a proper name may be registered under the fourth provision of §5 of the Trade-Mark Act of 1905, another who uses that name will not be regarded as infringing the trade-mark *unless the name is so reproduced, copied or imitated as to mislead the public with respect to the origin or ownership of the goods.*"

Certainly, the labels as composed and designed by the District Court are not open to any such charge.

III.

Federal Cases Directly In Point.

In *Russia Cement Co. v. Frauenhar*, 133 Fed. C. C. A., 518, is on all fours. There the plaintiff manufactured glue of different grades, *all* of which it sold under the trade-mark "Le Page." The defendant purchased a low grade of this glue in

bulk and bottled it and sold it under the name of "Le Page's Glue," with an explanatory statement that it was manufactured by the plaintiff *and bottled by defendant*. Held, this use of the plaintiff's trade-mark and of its name as the manufacturer was not unlawful, notwithstanding that the grade purchased and bottled by the defendant was inferior to more expensive brands sold by the complainant. The court thus stated the very principle for which we are contending, to wit (p. 520) :

"A court of equity will not enjoin a person from affixing to goods sold by him the true name and description, in the absence of any evidence of an attempted fraud, such as by representing his goods as of a different origin or quality or manufacture from what they actually are. * * * Here there is no false representation by spurious label or false statement. The label tells the truth and nothing but the truth. There is no fraud upon the public, for it gets the genuine identical thing described by the label. (*Apollinaris Co. v. Scherer* [C. C.], 27 Fed., 18); there is no fraud upon the manufacturer, for its vendees resell its manufacture, to which it has applied its name (*Vitascope Co. v. U. S. Phonograph Co.* [C. C.], 83 Fed., 30), *coupled with the statement that it (vendee) is responsible for the bottling of the manufacture.*"

This decision in the *Russia Cement Company* case affirmed the decision of Judge Wheeler, in the District Court, wherein he said (126 Fed., 228, 229) :

"The defendants, therefore, by the use made of this trade-name, have not misrepresented the origin of the goods. *When the plaintiff sold the glue to the defendants in large quan-*

titles, the effect of the sale was to invest the defendants with the title to the article, and with the right to divide it into small packages, as it might see fit, and sell the same as originating from the plaintiff, according to the fact. There was no reservation to the plaintiff, or any limitation upon this right of the defendants, nor any requirement of them that they should label it or the bottle in any particular way, nor any notice to them that it was not to be divided, labeled, and sold in any manner that would not involve the plaintiff contrary to the truth. If any damage has accrued to the plaintiff, it is in consequence of its permitting its production to go into the hands of the defendants with these unlimited rights. The foundation of the suit, as one for unfair or unlawful competition, fails."

In *Apollinaris Co. v. Scherer*, 27 Fed., 18, the defendant purchased "Hunyadi Janos" water, and then (to quote the court below) he "had himself bottled it in bottles containing the same label as that used by the one who originally bottled it." The plaintiff had obtained from the original bottler in Europe the exclusive contractual right to sell in the United States, and resold it in the United States under its trade-name. The court recognized that "it (plaintiff) can no longer protect itself as efficiently against the chances of a spurious article being palmed off upon the public as its own"; but, nevertheless, the court refused to enjoin the defendant, because the plaintiff had failed to show that the defendant was not in fact selling the genuine product. To quote the opinion (p. 20) :

"But the defendant is selling the genuine water, and therefore the trade-mark is not infringed. There is no exclusive right to the use

of a name or symbol or emblematic device except to denote the authenticity of the article with which it has become identified by association. The name has no office except to vouch for the genuineness of the thing which it distinguishes from all counterfeits; *and until it is sought to be used as a false token to denote that the product or commodity to which it is applied is the product or commodity which it properly authenticates, the law of trade-mark cannot be invoked.*"

In *Russia Cement Co. v. Katzenstein*, 109 Fed., 314, it was held (p. 317):

"No remedy lies to restrain these defendants from truthfully advising the trade that glue sold by them is manufactured by complainant. The defendants' commodity cannot be successfully assailed when it discloses truthfully the source of its manufacture."

In *Coty v. Ivory Novelties Trading Co.*, decided July 21, 1922, and not yet reported, Judge Knox held:

"Defendant is within its rights in making a face powder compact of the nature here in question, and so long as its base is a face powder known as Coty's L'Origan, may be justified in so marking the same."

In *A. Bourjoise & Co. v. Katzel*, 275 Fed. 539, the plaintiff sought to enjoin infringement of its rights in the registered trade-marks "Java" and "Bourjoise" on its face powder. The powder was "imported in bulk" from France "and packed here" in smaller packages, to which these trade-marks were affixed. The court said that "the question is whether the defendant has not the right to sell this article under the trade-marks which truly indicate its origin." The court upheld the right,

because "if the goods sold are the genuine goods covered by the trade-mark, the rights of the owner of the trade-mark are not infringed" (p. 543).

In *Gretsch v. Schoening*, 238 Fed., 780, the court upheld the right to resell the genuine goods under the trade-mark under which they had been purchased, saying: "It was not infringement of a trade-mark to sell the genuine goods identified by the mark so marked."

In *Vitascope Co. v. U. S. Phonograph Co.*, 83 Fed., 30, the court refused to enjoin the sale of machines under the common law trade-mark of "Edison Vitascope," since the machines sold were actually such.

In *Walker v. Reid*, Fed. Case No. 17,084, it was held that the owner of a trade-mark for goods which he manufactures under a patent is not entitled to enjoin the use thereof by a dealer purchasing his goods from a manufacturer who has a license under the patent.

In *Societe Anonyme v. Consolidated Filters Co.*, 248 Fed., 358, it was held that the defendant had a right to sell certain filter tubes under the complainant's trade-mark "Pasteur," where such tubes were in fact the genuine tubes manufactured by the complainant.

IV.

Like Cases in Other Jurisdictions.

In *Condy v. Taylor*, 56 Law Times Rep. (N. S.), 891, the plaintiffs manufactured a disinfecting fluid known by the registered trade-mark of "Condy's Fluid." The defendants bought this fluid from the plaintiffs in casks of 50 gallons each, and thereafter drew off the fluid into bottles of their own, placing upon the bottles a label with the

words "Condy's Fluid (Crimson) Warranted genuine." There was no proof of adulteration or dilution. Kekewich, J., held that since the sale by the plaintiffs was made "without any restriction on its disposal," they "*must be taken to authorize the dealer to sell the article in small quantities and as being the manufacture of his vendor.*" The case, it will be observed, was much stronger than the present for the plaintiff, for there the resale was by the registered trade-mark alone, without any notice to the public of the rebottling by the defendant; and the words "warranted genuine" added to the trade-mark in effect put the sign manual of the plaintiffs themselves on the rebottled fluid.

In *Farina v. Silverlock*, 6 DeG. M. & G., 211, it was held by Lord Chancellor Cranworth (p. 219) :

"It, however, seems to me clear, that any man who had got the Eau-de-Cologne of Johann Maria Farina but had not got a label, might employ any printer he thought fit to print or engrave for him a label which should be an exact counterpart of that which was used by Johann Maria Farina; for there is no copyright in it. All that the law restrains a person from doing is, selling the article which is not the manufacture of Johann Maria Farina with the label of Johann Maria Farina upon it; but if it be the article which has been manufactured by Johann Maria Farina, it can be no ground of complaint by Johann Maria Farina that the person sells it with something upon it to represent his trade-mark, though it is not a genuine trade-mark."

In *Sweezy v. McBrair*, 89 Hun, 155, affirmed without opinion 157 N. Y., 710, the plaintiff sought to enjoin the defendant from using and advertising a certain dental preparation made by the plaintiff

and given by him the trade name of "Hypodontine." The court conceded that "the word was a valid trade-mark" but held that "when the plaintiff sold the article he did so without placing any restriction upon the purchaser, and hence the defendant purchaser had the right to sell and advertise it under the same trade-mark."

In *Edison v. Mills-Edison*, 74 N. J. Equity, 521, it was held (pp. 522, 527) :

"The right to describe the article by the trade-mark or patented name must pass by implication of law, as it seems to me, to the person who purchases from the inventor or his assignee. * * * *Such (claimed) right in vendors, under the patent or trade-mark laws, is absolutely new in our law, and might practically lead to an indefinite extension of the benefit of some of the privileges of those special laws.*"

V.

The principles announced below are revolutionary and pervert the settled purposes of the Trademark Act.

The principle formulated below is of vast commercial importance in its implications. It opens a new door to control by a wholesaler of the retail trade. It creates for the first time a reserved right of property surviving an absolute and unconditioned sale, and restricting, at the mere caprice of the seller, the new owner's right to use the merchandise for the very purpose for which it was bought, *i. e.*, resale.

The working of such a principle in practice is obvious enough. Under it the foreign wholesaler sells in bulk or in large packages and invites all American retailers to buy for the very purpose of resale and to pay the premium (if any) which his merchandise commands. There is nothing in the

contract of purchase and no notice affixed to the merchandise itself which in any way restricts the right of resale. The thing so sold is not the container, but the contents. To impose a restriction openly and in straightforward terms by notice or contract, might scare purchasers and diminish sales. Nevertheless, under the principle adopted below, the seller silently retains "a string" on the goods; and, if he chooses, only the favored few who become tributary in one form or another may in smaller quantities resell the goods as what they bought.

Thus the retail trade is made silently restrictable to forms, persons and quantities (and therefore to prices) dictated by the wholesaler, who has no patent, copyright or contract, but who will find little difficulty in so bulking his original packages that retailing except in smaller quantities is difficult or unprofitable. In consequence, prices come under more sure control; the public are shunted to those retailers who have bought the favor of the wholesaler; competition in resales in small quantities at popular prices is lessened; and the dealer who has bought for resale on the assurance of the unrestricted title offered finds his profitable use thereof at the mercy of the seller.

Indeed, in this very controversy one easily sees between the lines the purpose on the part of interested parties to drive out competition in the useful business of transforming the bulk into smaller quantities sold at popular prices (fols. 172-4).

The validity of creating by contract such a reservation in an absolute sale would be open to the gravest question. To create it by statute, and thus to open the door to the economic consequences

mentioned, would involve very serious consideration of public policy. As yet Congress has not so enacted. To make it the law, by the judicial power of deciding, is to take a step of the gravest concern to the American retail trade and the American public.

POINT II.

The cases cited by the Court below are not analogous.

The cases relied upon by the Court below fall into one or both of two classes, neither of which bears any analogy to the present case:

(1) The first class are the ordinary cases of the sale of the goods of one manufacturer as those of another.

(2) The second class are cases where a manufacturer of two brands or qualities of the same article—as, for example, whiskey—has given a separate trade-mark or distinctive label to each brand or quality. In such case to buy in bulk the inferior brand and then to sell it under the trade-mark or label reserved by the manufacturer for the superior brand, is a palpable misrepresentation and fraud.

The case of *Coco-Cola v. Bennett*, 238 Fed., 513, is a case of the former class. There the plaintiff sold "Coco-Cola" syrup which when used by others with carbonated water produced a beverage. The defendant bought from the plaintiff the syrup, and having manufactured it into a bottled beverage, sold the bottles under the plaintiff's registered trade-mark, to wit, "Coco-Cola," *without any explanation that the beverage was the defendant's*

and not the plaintiff's manufacture and that it had been bottled by the defendant. The issue was clearly stated by the Court to be (p. 516):

"Have the defendants, without the authority or permission of the appellant, the right to manufacture Coco-Cola as a beverage by mixing the bottled syrup of appellant with carbonated water and selling the same to the public under the trade name Coco-Cola?"

The Court held that the defendant's practice was a clear case of deceptively selling, through representation by trade-mark, one manufacturer's goods as those of another. Such a case bears no analogy to a mere rebottling; and would be analogous to the "compact" side of this case only if the label composed by the District Court had attempted to sell the defendant's compact as Coty's manufacture or without other statement than Coty's mere trade-mark, instead of selling it as "Prestonettes" independently manufactured by the defendant according to the stated formula.

Coco-Cola Co. v. J. G. Butler & Sons, 229 Fed., 221, belongs to both the first and second classes of cases *supra*. There the plaintiff made up its syrup in two forms, each intended for a different purpose and each designated by distinctive labels. The defendant purchased the syrup in one form and then manufactured from it a beverage which it sold without any explanation under the plaintiff's registered trade-mark "Coco-Cola," using the tops and labels prepared by the plaintiff for its other form. This was a clear case of selling one manufacturer's product as that of another and of misapplying distinctive labels.

Krauss v. Peebles Co., 58 Fed., 585, belongs to the second class of cases. The plaintiff made two

brands of whiskey. The defendant, after buying the inferior brand, bottled it under the distinctive labels which the plaintiff used for his superior brand.

Hires v. Xeappas, 180 Fed., 952, also falls within the first class. The complainant manufactured two preparations for making root beer, one in syrup form, and the other as an extract. The defendant purchased the extract; from it prepared a beverage without using the other ingredients used by the plaintiff; and sold the beverage, without any explanation, under the plaintiff's trade-mark "Hires Root Beer." This was clearly selling one manufacturer's product as that of another. But the case is in fact an authority for the defendant, because the opinion declares (p. 952):

"A purchaser of 'Hire's Root Beer' or household extract, undoubtedly would have the right to resell the extract as an extract under the trade-mark it bears."

Ingersoll v. Doyle, 247 Fed., 620, also falls within the first class. The defendant bought genuine Ingersoll watches, replaced some of the parts and then sold them, without explanation, "as Ingersoll watches." The Court said that what the defendant was selling as an Ingersoll watch was not such, but "had become a new construction." In the present case, under the labels composed and designed by the District Court, the defendant does not sell its compact as Coty's compact or manufacture.

POINT III.

The argument that a careless or unscrupulous person might adulterate or injure the perfume in rebottling or repacking it, and that therefore it is improper to affix Coty's assurance of genuineness, is purely hypothetical and irrelevant and misreads the labels as composed and designed by the District Court. Those labels do not give Coty's assurance.

(1) The same possibility of adulteration—indeed, a greater likelihood thereof—exists in re-sales (concededly lawful) of the plaintiff's original eight-ounce bottles or of the paper packages containing the plaintiff's powder. The reseller would have but to lift the glass stopper or to open the paper package to effect an adulteration which would be much more insidious and profitable, because detection would be less likely, and because there would be no printed notice informing the public that the contents had been handled by another.

(2) The defendant has been cast in judgment upon a supposititious case and for acts which have not been done by it or, so far as appears, by anyone. The law does not recognize a hypothetical injury or a moot case.

(3) The labels as composed and designed by the District Court *do not* carry "the assurance of Coty himself" (to quote the court below) that the contents of defendant's bottles are Coty's. On the contrary, the label does not purport to be any representation by Coty at all, but, on the contrary, it is expressly and solely the independent represen-

tation of the defendant, in its own name; and the defendant even adds a denial of agency by asserting that it is "not connected with Coty" and in rebottling has acted "independently in New York." No endorsement by Coty is represented.

(4) As to the compact, the argument of the court below that the label composed and designed by the District Court "enables the defendant to sell as Coty's a product without the assurance which comes from Coty's own marks and labels," misreads the label altogether. The label does not purport to sell the product "as Coty's" at all. On the contrary, expressly and by careful iteration, and in even, uniform type, it sells the product as "Prestonettes," "independently compounded" by the defendant, who is stated to be "not connected with Coty." It even gives the formula of the defendant's manufacture. The compact is represented as the defendant's product, not Coty's; and no endorsement by Coty is asserted.

(5) Neither of these labels effect a sale merely by the plaintiff's registered trade-mark. Indeed, the distinctive and unique trade-marks as actually registered by the plaintiff (Rec., p. 21) are not used at all. Hence, there is no such implied assurance by the owner of the trade-mark as would occur if the trade-mark had been reproduced and stood alone.

(6) If the plaintiff desired protection against the possibility of adulteration or deterioration in the event of rebottling or repacking, it should have made the necessary restrictions in its contracts of sale. Its present claim confuses a trade-mark with a patent or copyright, and seeks improperly

to "make a negative and merely prohibitive use of it as a monopoly." (*United Drug Co. v. Rectanus Co.*, 248 U. S., 90, 97, 98).

POINT IV.

The claim that the plaintiff's name is being "trespassed" upon without his consent, is untrue in fact and in law, and is irrelevant.

(1) When the plaintiff gave his name to his liquid perfume, and under that name sold it in quantity to the retail trade without any reservation, and received the premium (if any) which that name commanded, he impliedly authorized the retailer to resell as his manufacture the genuine article in such quantities as the popular trade demanded. He could control such a purchaser no more in quantity than in price.

There was nothing in the contract of purchase which required the defendant to keep the liquid in its original container, or which required the defendant on putting it in smaller containers, to refrain from selling it as the plaintiff's manufacture or to sell it under a false name. The defendant had the right to resell it for what it bought it. The plaintiff could not keep what it had sold. *The name employed by the plaintiff did not designate the container but the contents; and the defendant had the right to continue the contents in the trade under the name under which the plaintiff had launched it in the trade.*

(2) As said by Taft, C. J., in *Krauss v. Peebles' Sons Co.*, 58 Fed., 585, 593: "The size, form and manner of packing are not a part of trade-mark property."

(3) Moreover, having elected to manufacture under his own name, the plaintiff cannot, save by contract, forbid others to describe him as the manufacturer of a product which he did in fact manufacture. *He secures no right to monopolize the privilege of referring to himself as the manufacturer of his own goods.*

(4) As more fully set forth in the First Point hereof, a mere surname is "not the subject of exclusive appropriation as a common law trademark" (*Thaddaus Davids Co. v. Davids*, 233 U. S., 461, 464), and its use by others is not actionable "unless the name is so reproduced, copied or imitated as to mislead the public with respect to the origin or ownership of the goods" (*Ibid.*, p. 470).

POINT V.

The fact that a delicate perfume is involved gives the plaintiff no new or special legal right.

(1) In all the foregoing cases in which the retailers' right to re-sell in smaller quantities was upheld, there was the possibility of injury, intentional adulteration, or unintentional deterioration by unclean or unsuitable containers or methods. Is the potency of "Hunyadi" water less delicate and important than that of a liquid perfume? (*Appollinaris Co. v. Scherer*, 27 Fed., 18, *supra*.) *Farina v. Silverlock*, 6 DeG. M. & G., 214, and *A. Bourjoise & Co. v. Katzel*, 275 Fed., 539, *supra*, involved perfumes; and *Condy v. Taylor*, 56 Law Times (N. S.), 891, *supra*, involved a disinfecting fluid. *Societe Anonyme v. Consolidated Filters Co.*, 248 Fed., 358, involved

"Pasteur" filter tubes, the genuineness of which was vital to health and even life itself.

(2) It is not the delicacy but the genuineness of the article which determines the legal right.

POINT VI.

There is no evidence that the labels as composed and designed by the District Court did not convey to the ordinary observer the precise meaning which they expressed.

As said in *Handel Co. v. Jefferson Glass Co.*, 265 Fed., 286, quoting from the decision of Judge Sanborn in *Wrisley v. Iowa Soap Co.*, 122 Fed., 796 (p. 289):

"The duty is imposed upon every manufacturer or vendor to so distinguish the article he makes or the goods he sells from those of his rival that neither its name nor its dress will probably deceive the public or mislead the common buyer. He is not, however, required to insure to the negligent or the indifferent a knowledge of the manufacture or the ownership of the articles he presents. *His competitor has no better right to a monopoly of the trade of the careless and indifferent than he has.*"

POINT VII.

The fact that the plaintiff has registered as its trade-mark the fanciful word "Lorigan" in grotesque type uniquely arranged, gives the plaintiff no right to claim that the printing in ordinary English type of the common, generic name of the aromatic shrub and of the perfume therefrom, is an infringement of that registered trade-mark.

Moreover, the unregistered, generic word "L'Origan" which the plaintiff uses in the trade to the exclusion of the trade-mark registered, is not lawfully registerable as a trade-mark. The affixing of the French particle of speech would not have entitled the plaintiff to register the generic word, even if he had attempted to do so.

The point now made was raised upon the record by the defendant (fols. 191, 175-185), but was not noticed in the opinion of the court below.

(1) Section 1 of the Trademark Act of 1905 requires the registrant to submit "a drawing of the trade-mark"; and Rule 22 of the Patent Office requires that this drawing of the trade-mark "shall be a facsimile of the same as actually used upon the goods" and that "five specimens of the trade-mark as actually used" shall be annexed. A glance at page 21 of the record, on which the plaintiff has reproduced a facsimile of the trade-mark as thus filed by it, shows that the mark is strikingly distinctive in two respects: (1) in the fancifulness of the invented and meaningless word "Lorigan"; and (2) in the grotesqueness of the style, size and arrangement of the letters.

The plaintiff evidently realized that the two words "L'Origan" would not have been accepted by the Patent Office as properly registerable as a trade-mark, for it has been repeatedly held that *a generic word which is common to the English language and to a modern familiar foreign language* cannot be appropriated as a trade-mark merely by registering it in the foreign form. To quote from *Hopkins on Trade-marks* (3rd Ed.), Sec. 59, page 148:

"It is now the fixed rule of that office (the Patent Office) that no descriptive words reproduced in letters from a foreign language will be admitted to registration, *when registration would be refused to their English equivalents*.

"The Court of Chancery of New Jersey has held that the French 'brassiere' (brace) is not susceptible of appropriation as a trade-mark for a combined corset cover and bust supporter, and a similar ruling has been made as to the Italian 'Conserva Di Tomate' (preserved tomato). So also of 'Tipo Chianti' (Chianti Type) for wine."

That the word "origan" is, and from time immemorial has been, both an English and a French generic name merely descriptive (in general and trade usage) of the aromatic shrub and of the perfume therefrom is a matter of common knowledge and uncontradicted proof (fols. 178-184). As such it is a mark *publici juris* and not capable of exclusive appropriation.

The facts in this respect are all set out, without contradiction, in folio 175, *et seq.*, of the record.

As said by this Court in the leading case of *Canal Co. v. Clark*, 13 Wallace, 311, 323:

"No one can claim protection for the ex-

clusive use of a trademark or tradename which would practically give him a *monopoly* in the sale of any goods other than those produced or made by himself."

(2) The plaintiff, however, having registered his trade-mark as "Lorigan," and thereby, through the very fancifulness of that word, having escaped the unregistrability of the common generic word, has proceeded, according to his own complaint, to use on his bottles and packages, not at all the fanciful word "Lorigan," but the generic words "L'Origan,"—thereby circumventing the settled rules and practice of the Patent Office, and the law itself.

The defendant has not used the word "Lorigan" or the grotesque, distinctive type in the facsimile filed by the plaintiff in the U. S. Patent Office (Rec., p. 20).

Consequently, to sustain this action under the Trade-mark Act is to confer on the plaintiff as a registered trade-mark words which he did not register, and to allow him to have exclusive appropriation of a generic word in common use as descriptive of a perfume and of the herb from which it is derived.

(3) In the following instances the words and marks mentioned have been held to be invalid as trade-marks because generic:

"Tycoon," for tea (*Corbin v. Gould*, 133 U. S., 308);

"Extract of Night-Blooming Cereus," as a trade-mark for a perfume (*Phalon v. Wright*, 5 Phila., 464);

"Ferro-phosphorated Elixir of Calisaya Bark," for a medicine (*Caswell v. Davis*, 58 N. Y., 223);

"Maryland Club Rye," for a whiskey (*Cahn v. Hoffman House*, 28 N. Y. Supp., 388);

"Tabasco," for a pepper sauce (*McIlhenny v. New Iberia Extract of Tabasco Pepper Co.*, 34 App. D. C., 430);

"Thermogene," for cotton wadding (*Thermogene Co. v. Thermozone Co.*, 225 Fed. Rep., 446);

"Vacuum Thread," for tires (*Pennsylvania Rubber Co. v. Dreadnaught Tire & Rubber Co.*, 225 Fed., 138).

(4) This case falls exactly within the *Tycoon* case *supra*, where it was held by this Court that the trade-mark for tea registered by the plaintiff in the Patent Office was not infringed by the mere use of the term "The Tycoon Tea" without the distinctive feature of the enclosing diamond-shaped figure appearing in the trade-mark as registered.

POINT VIII.

The New York Statute cited in the opinion below is irrelevant and, in any event, was misinterpreted.

(1) The New York statute is irrelevant because the injunction as granted by the court below is "unlimited in its terms" geographically; and, as the court itself conceded, the New York statute can furnish no basis for such an unlimited injunction. The real question is as to the plaintiff's rights under the federal law.

(2) The New York statute has been misinterpreted. It does no more than to forbid a person untruthfully to represent that he is selling the product in the original form or container put out by the original producer. This is the authoritative interpretation adopted in *People v. Luhrs*, 195 N. Y., 377, 381:

"The object of the statute is to prevent fraud, affecting both the public and the owners of trade-marks, by prohibiting the sale of goods from an original package labeled with a trade-mark *upon the representation that such goods were placed in that package by the owner of the label.*"

CONCLUSION.

The petition for a writ of certiorari should be granted.

The general importance of the questions has been set forth in the petition annexed hereto. Upon well-settled principles, therefore, and inasmuch as the decree below grants in effect final judgment as a matter of law on undisputed facts in an action wherein the final decree would not be appealable as of right, the writ of certiorari should be granted.

Dated, New York, January 9, 1923.

Respectfully submitted,

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